

NRCS ANNUAL PERFORMANCE PLAN FOR

2024/25– 2026/27

14 MARCH 2024

1. LIST OF ABBREVIATIONS

AFRIMETS	Intra-Africa Metrology System
COTII	Council of Trade and Industry Institutions
the dtic	Department of Trade, Industry and Competition
EU	European Union
KPA	Key Performance Area
KPI	Key Performance Indicator
LOA	Letter of Authority
NEDLAC	National Economic Development and Labour Council
NRCS	National Regulator for Compulsory Specifications
OECD	Organisation for Economic Cooperation and Development
OIML	International Organisation of Legal Metrology
PFMA	Public Finance Management Act
SABS	South African Bureau of Standards
SADC	Southern African Development Community
SANAS	South African National Accreditation System
SARS	South African Revenue Services
SLA	Service Level Agreement
SQAM	Standards, Quality, Accreditation and Metrology
SADCMELE	SADC Cooperation in Legal Metrology
TR	Technical Regulation
VC	Compulsory Specification
WTO TBT	World Trade Organisation Agreement on Technical Barriers to Trade

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3. FOREWORD BY THE MINISTER

The Public Finance Management Act requires that every public entity submits an Annual Performance Plan (APP), which converts the overall strategy to key annual targets. The APP is aligned to the NRCS Strategic Plan, various government strategic and policy frameworks.

The NRCS, as a public entity charged with the responsibility to implement government policies under the auspices of the dtic, will regulate safety-critical products and undertake surveillance activities to ensure that products being traded in the South African economy comply with the relevant compulsory specifications / technical regulations while implementing sanctions for non-compliance.

This Annual Performance Plan, therefore, constitutes the foundation upon which NRCS will position itself as a leading authority in Technical Regulations/ Compulsory Specifications while working with its partners and stakeholders, to address many challenges faced by South Africans as it impacts its constituency within which it operates.

The NRCS will contribute towards the achievement of the forty-five (45) Output targets as set by **the dtic**, focusing on the areas of industrial production, exports and trade as well as reducing red tape. The NRCS will also continue to dedicate resources in-order to improve its enforcement mechanisms, “locking-out” non-compliant products, improve compliance behaviour and encourage local manufacturing thereby contributing to the development of the South African economy.

The NRCS Annual Performance Plan 2024/25, is hereby submitted in accordance with the Revised Framework on Strategic and Annual Performance Plans.



EBRAHIM PATEL

MINISTER OF TRADE, INDUSTRY AND COMPETITION

Annex

Output targets within the dtic-group of public entities.

2024/25 APP Functional focus of outputs

Section: 12.1 Functional focus of outputs

Additional outputs (programmatic, enabling or responsive to immediate needs) have been included in the APP. The following tables indicate the functional focus of these outputs. Output numbering refers to the classification in the consolidated table, found in the APP. Pillar numbering refers to the section in dealing with the aims of industrial policy. Outcome numbers refer to: Industrialisation (1), Transformation (2) and Capable State (3) though it should be seen as indicative, as one Output intended to cover a single Outcome can and does have positive spillover-effects on the other Outcomes.

Number	Output	Pillar	Outcome
Output 1	R350 billion in investment pledges secured across the state	4	1
Output 23	100 Investor facilitation and unblocking interventions provided	4	1
Output 17	1 new SEZs application considered for designation	4	1,2

12.1.2 Industrial production

Number	Output	Pillar	Outcome
Output 2	R60 Billion in additional local output committed or achieved	2	1
Output 11	R 200 Billion in black industrialist output achieved	1	1,2

12.1.3 Exports

Number	Output	Pillar	Outcome
Output 3	R900 Billion in manufacturing exports	3	1
Output 4	R400 Billion in manufacturing exports to other African countries	3	1,2
Output 5	R9 Billion in exports of Global Business Services (GBS)	3	1
Output 27	20 Successful Export Interventions to support the implementation of the AfCFTA	3	1
Output 28	10 High impact trade interventions completed	3	1,3
Output 41	5 Finalisation of legal instruments under the AfCFTA (Tariff offers, Schedule of Commitments, Rules of Origin, Protocols and Annexes to protocols)	3	3

12.1.4 Industrial support

Number	Output	Pillar	Outcome
Output 6	R32 Billion in support programmes administered by or in partnership with the dtic-group	1	1,2,3
Output 7	R15 Billion support programmes to enterprises in areas outside the 5* main metros	1	1,2
Output 8	R8 Billion in financial support programmes and procurement contracts approved to SMMES, women and youth-empowered businesses	1	1

Number	Output	Pillar	Outcome
Output 9	R 8 Billion in financial support programmes to enterprises in labour absorbing sectors	1, 6	1
Output 43	1 Operationalization of an Adjudication process for incentive applications	1	1, 3

12.1.5 Transformation

Number	Output	Pillar	Outcome
Output 10	R 900 Million in Equity Equivalent Investment Programme agreements	1	1,2
Output 15	20 000 additional workers with shares in their companies	1	1
Output 16	10 High-impact outcomes on addressing market concentration through the implementation of market inquiry outcomes	1	1,2

12.1.6 Jobs

Number	Output	Pillar	Outcome
Output 12	1 Million jobs supported or covered by the dtic group and/ or master plans	6	2
Output 13	100 000 jobs to be created (50 000 social economy fund part-time or temporary job opportunities and 50 000 full-time jobs)	6	1,2
Output 14	160 000 jobs in Black Industrialists firms retained	1, 6	1,2

12.1.7 Energy

Number	Output	Pillar	Outcome
Output 18	R 1 Billion Support to enterprises including SMMEs to mitigate impact of load shedding by IDC and NEF	5	1,2
Output 19	1500 Megawatts of energy from projects facilitated	5	1,3
Output 20	550 Megawatts of energy available for the grid	5	1,3
Output 21	3 Projects successfully managed through the Energy One-Stop Shop	5	3
Output 22	2 Expedited regulatory amendments and flexibility, to promote energy efficiency	5	1,2,3

12.1.8 Green economy targets

Number	Output	Pillar	Outcome
Output 29	4 Interventions to respond to green trade barriers	5	1
Output 30	1 EV white paper implementation	5	1
Output 31	1 Green hydrogen commercialisation framework implementation	5	1

12.1.9 Stakeholder engagement and impacts

Number	Output	Pillar	Outcome
Output 25	9 Business Forums hosted aimed at supporting increased FDI, exports and outward investment hosted	1	1,2,3

Number	Output	Pillar	Outcome
Output 32	1000 Case studies of firms, workers, entrepreneurs, professionals or communities' impacted by the dtic measures; including 12 local films/documentaries telling the SA story	1	1
Output 33	Community outreach programmes by the dtic group in 10 districts	1	1,2,3
Output 37	2 Conferences, summits, and international forums hosted	1	1,2,3
Output 45	10 Successful actions completed on price monitoring and excessive pricing or price gouging or price restraint	1	1,2,3

12.1.10 Addressing crime

Number	Output	Pillar	Outcome
Output 24	Grey-listing: 2 Implementation of remedial actions by CIPC of the Financial Action Task Force (FATF) requirements to meet immediate outcome 5 (IO5) in South Africa's Action Plan	1	3
Output 42	1 Metal trading system implemented	1,5	1,2,3

12.1.11 Red tape and state capability targets

Number	Output	Pillar	Outcome
Output 39	9 Impact evaluations of dtic programme or sub-programmes	All	3
Output 40	5 High-impact measures to reduce red tape or improve turnaround times in administration of incentives and work of agencies		
Output 44	6 Impact assessments or enhancements of trade instruments or measures	2,3	1,2,3

12.1.12 Improving the capacity and responsiveness of the state and social partnership

Number	Output	Pillar	Outcome
Output 26	4 Pieces of priority legislation amended, tabled or submitted to Executive Authority, Cabinet or Parliament	All	1,2,3
Output 34	8 Master Plans managed	All	1,2,3
Output 35	Oversight of IDC, NEF and ECIC to ensure that at least 96% of planned KPIs are achieved	All	1,2,3
Output 36	3 Projects to assist industrial innovation and support firms	All	1,2,3
Output 38	50 Mergers and acquisitions where public interest conditions have been incorporated	All	1,2

4. OVERVIEW BY THE CEO

The National Regulator for Compulsory Specifications (NRCS) has developed its Annual Performance Plan (2024/25–2028/29) aligned to the government priorities, the dtic’s Strategic Plan (SP) and Strategy Plan as well as various government, strategic and policy frameworks. These frameworks include, amongst others, the National Development Plan (NDP), Minister’s Key Outcomes and the Medium Term Strategic Framework (MTSF). It is also aligned to the government priorities as directed by the Executive Authority and the State of the Nation Address (SONA).

The Minister’s focus is on outcome based indicators and the Minister’s key Outcome indicators. These are aimed at **industrialisation** to promote jobs and rising incomes, **transformation** to build an inclusive economy and building **capable state** to ensure improved impact of public policies.

The Annual Performance Plan of the NRCS is well aligned to that of the dtic. It ensures that our industrialisation is focused on products that comply to global safety standards and do not harm the environment. It focuses on transformation to ensure that the health and safety interests of consumers are protected and that fair trade is facilitated. It ensures that consumers and businesses can trade and purchase with confidence. It aims to rebuild the NRCS in such a way as to ensure that it is a capable organisation that has the people, operating practices, resources and technology to deliver on its mandate.

In accordance with its mandate, the NRCS will continue to dedicate resources towards the implementation of the Legal Metrology Act, Act No. 9 of 2014 (LMA), which is increasing the scope of metrology from trade measurements to incorporate health, safety and environmental measurements. The NRCS will in the medium term expand and strengthen the scope of legal metrology in line with the LM Act, to protect consumers against inaccurate measures, support local industrial competitiveness, enhance protection of the environment and public health and safety whilst promoting fair trade.

This Annual Performance Plan is guided by the mandate set for the NRCS by the founding legislation and the amended Legal Metrology Act. It takes in to account the current dynamic environment, the establishment of the Border Management Authority and challenges as well as the economic and development needs of the South African society. In fulfilling this task, the

NRCS, will regulate safety-critical products and undertake surveillance activities to ensure that products being traded in the South African economy comply with the relevant compulsory specifications / technical regulations. The NRCS will also vigorously implements sanctions for non-compliance.

The dtic will continue to support the NRCS in its endeavours to rebuild and renew its capabilities. This includes implementing an innovated organisation design, developing and acquiring the technology and innovated ways of working required to modernise its operations, whilst simultaneously enhancing its efficiency and effectiveness

The following activities will be undertaken to assist the NRCS in its approach to be more efficient and effective:

- Fully implement the amended Legal Metrology Act and build capacity to achieve this mandate
- Modernise and automate ICT systems to more efficiently and effectively regulate the market
- Inspect manufactured and imported goods at source (point of manufacture in South Africa or South African point of entry), where possible;
- Fully implement the Risk Based Approach to inspections and approvals;
- Conclude Memoranda of Understanding (MoUs) and technical agreements with other partner organisations in the public sector, as well as regional and other international governmental and treaty organisations;
- Conduct regular awareness and educational interventions to ensure that the NRCS brand is visible and it's mandate and requirements are understood;
- Build partnerships with industry and other regulatory bodies;
- Enhance participation of small businesses in the technical regulations development process; and
- Institute sanctions where non-compliances are found.

The NRCS's Annual Performance Plan intends to achieve the following:

- Enhance the quality of life of all South African citizens by protecting their health and safety, as well as protecting the environment and maintaining fair trade;
- Improve compliance behaviour and encourage local manufacturing of compliant products by “locking-out” non-compliant products, thereby contributing to the development of the South African economy;
- Ensure ease of accessibility as well as efficient and effective operations of the NRCS through the modernisation and automation of its ICT systems.

It is the view of the NRCS that national, continental and international harmonisation of standards and regulations should be strengthened to widen the regulatory area and promote implementation of best practice and existing trade protocols. The harmonisation of regulatory practices is of particular value where a specific regulatory issue has significant cross-border effects and cannot be tackled by a national regulator alone.

South Africa is committed to working with continental and international partners on bilateral and multilateral basis to strengthen existing agreements and programmes in order to deepen industrial development.

In building a better Africa and World, the NRCS’ will continue to represent the country on national, continental and international forums. Participation in these forums is based on the needs of the country, **the dtic**, industry and the consumer. It encompasses active engagement as South African representative, in the work of the technical committees by prioritising input into the development of international technical regulations and hosting technical committee meetings, and participating in treaty organisations at a high level.

The dtic will continue to support the NRCS in these important endeavours and in ensuring that its mandate is efficiently and effectively implemented.

D Mutengwe

Acting Chief Executive Officer

5. OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

Was developed by the management of the National Regulator for Compulsory Specifications and it takes into account all the relevant policy and legislative mandates for which the NRCS is responsible. It further accurately reflects the strategic outcome oriented goals and objectives for which the NRCS will work towards achieving during the medium-term period 2024/25 – 2026/27.

Mr. Edward Matemba

Manager Strategy and Risk

Signature:

Date: 14 March 2024

Mr. Thomas Madzivhe

Chief Operations Officer

Signature:

Date: 14 March 2024

Ms. Nadine Thomas

Chief Financial Officer

Signature

Date: 14 March 2024

Mr. Duncan Mutengwe

Acting: Chief Executive Officer

Signature:

Date: 14 March 2024

PART A: STRATEGIC OVERVIEW

6. VALUES, VISION AND MISSION

MISSION

The NRCS Mission is derived from our Mandate and confirms why we exist and how we intend to focus our activities to deliver on our mandate.

Why?

To protect public health and safety, safeguard the environment and facilitate fair trade

How?

We do this by enabling and enforcing compliance with compulsory specifications and technical regulations

VISION

The NRCS Vision is for a safe, sustainable South Africa where people and businesses can trade and purchase with confidence.

STRATEGIC INTENT

The NRCS has synthesised its Mission and Vision into a coherent, focused Strategic Intent, as follows:

Mission

To protect public health and safety, safeguard the environment and facilitate fair trade

Vision

A safe, sustainable South Africa where people and businesses can trade and purchase with confidence

VALUES

The NRCS values provide guidance to all leaders and employees to inform the behaviour and actions expected of them in the implementation of this strategy. The NRCS values are:

- **Professionalism** – *we shall act independently, take well-informed decisions and act at all times with integrity. In so doing, the decisions that we take shall be aligned to the needs and expectations of South Africa and its citizens. We will ensure that we are always competent in the way we discharge our responsibilities.*
- **Accountability** – *we will develop a high performance culture underpinned by teams who act in a predictable, responsible, efficient and effective manner.*
- **Innovation** – *we will be proactive and respond rapidly, appropriately and intelligently, appropriately to the ever-changing needs and expectations of industries and consumers. We will maintain our relevance through being future-focused and through embracing change and ongoing adaptation.*

- **Collaboration** – *we will lead inclusively through developing focused, dedicated teams in which the perspectives and contributions of all are valued. We will always respect and value the wisdom and loyalty of all of our valued stakeholders.*
- **Ethical** - *we will act with integrity at all times, ensuring that the decisions and actions we take are consistent and impartial. We will be transparent in the way we perform our duties and treat our stakeholders and the regulated industry equitably (in a fair and impartial manner).*

7. LEGISLATIVE AND OTHER MANDATES

The broad mandate of the NRCS is to promote public health, safety and environmental protection through the development and enforcement of compulsory specifications / technical regulations. While consumer protection lies at the heart of the activities of the NRCS, this function cannot be separated from South Africa's role as a global trading partner. South African goods and services need to be competitive in terms of cost and quality and, at the same time be guaranteed to be safe and fit for purpose. The **mandate** of the NRCS is derived from the following legislation:

- The National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008) as amended;
- The Legal Metrology Act, 2014 (Act No. 9 of 2014); and
- The National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977) (NBR&BS Act).

8. POLICY MANDATES

In addition to the legislative mandate, the NRCS strategy is aligned to that of its primary stakeholder, **the dtic**. The most significant areas of alignment are contained in the following three key dtic strategic outcomes as well as to the strategic objectives of the dtic:

Strategic Objectives

- Institutionalising the implementation of Risk Based Approach within the NRCS
- Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation
- Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives.
- Create a fair regulatory environment that enables investment, trade and enterprise development, in an equitable and socially responsible manner

Re-imagined Industrial Policy

The NRCS has a significant role to play in realising the goal of South Africa being a developmental state. The NRCS will play a significant role within the Automotive, Clothing Textile Leather and Footwear, Chemicals and Plastics, Agriculture and Agro-processing and the Oceans Economy.

The NRCS will balance its regulatory responsibilities and the needs of the economy in terms of operationalising the Re-imagines Industrial Policy and application of the master plans in the areas where the entity has a role to play. The orientation of regulatory activities to support both the 'lock out' of unsafe and inferior imports and the 'lock in' of access to increasingly demanding export markets, will also receive attention in the way that specifications are

developed, market surveillance is conducted and enforcement activities are implemented by the NRCS.

Regional and International Participation

The NRCS in contributing to the government goal of implementing the Africa Free Agreement and building a better Africa and the world will represent South Africa:

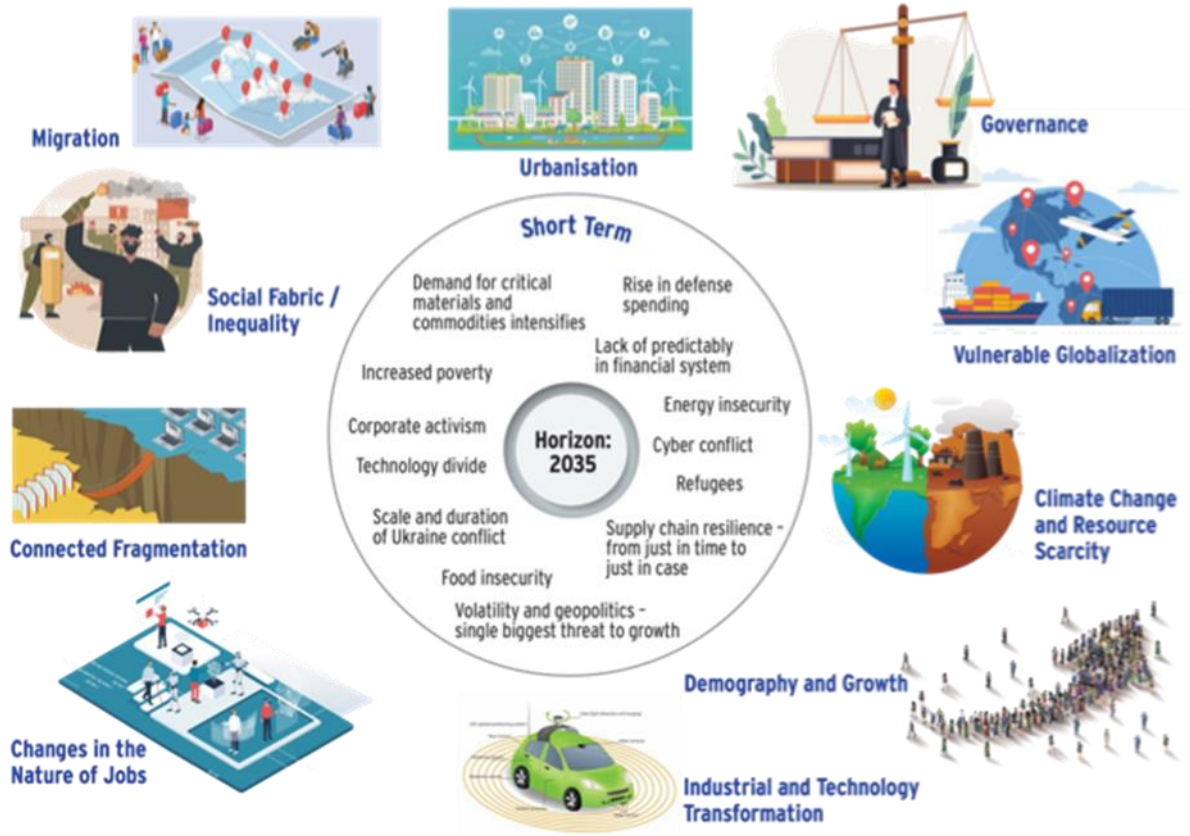
- a) As a Competent Authority at CODEX Alimentarius
- b) United Nations World Forum for Harmonization of Vehicle Regulations (WP 29) – harmonisation of motor vehicle regulations.
- c) SADC Technical Infrastructure committees especially with regards to harmonization of technical regulations and will continue to serve as secretariat for SADC MEL (Co-operation in Legal Metrology) and SADC Technical Barrier to Trade Cooperating Structure.
- d) African Organisation for Standardisation (ARSO) – Harmonisation of technical regulations and conformity assessment.
- e) Inter Africa Metrology System (AFRIMETS) – Harmonisation of Legal Metrology Regulations giving effect to African Free Trade agreement.

Furthermore, in promoting trade, the NRCS will continue to enter in to agreements with our trading partners. Currently the NRCS has agreements with Botswana, Namibia, Mauritius, Zambia and Mozambique.

9. INSTITUTIONAL STRATEGIES

EXTERNAL ENVIRONMENT ANALYSIS

There are a number of important forces / trends that are impacting and will continue to impact upon the NRCS going forward. The following illustration sets out some of these key forces and / or trends.



The National Regulator for Compulsory Specifications remains committed to creating a sustainable organisation measured and consistent in its approach to improving the organisational environment rising to the significant challenges that the organisation continuously surmounts both internally and externally. NRCS is on a path to creating a world class model of an organisation with exemplary level of performance and leadership excellence while enhancing the working environment through a culture of respect, trust, appreciation, high employee morale and professionalism.

In terms of its strategic mandate, the NRCS’s Strategic Plan intends to achieve the following:

- Enhance the quality of life of all South African citizens by ensuring their health and safety, as well as protecting the environment and maintaining fair trade
- Encourage local manufacturing of compliant products by “locking-out” non-compliant imported products, thereby contributing to the development of the South African economy.

In advancing these values and enhancing the organisational performance, NRCS in consultation with all its key stakeholders and based on the analysis of both its internal and external environment has developed a context specific organisational strategic plan that is anchored on 7 pillars which inform its strategies over the five year planning period namely:

- Financial stability, diversification and revenue targeting model
- Human Capital Development
- Improved brand recognition by Consumers and other stakeholders for grand positioning
- Improved and Strengthened Governance Systems and processes
- Technologically driven organisation for world class positioning
- Improved and Strengthened Governance Systems and processes
- Strengthening Research and Development

Risk Based Approach

At the heart of the **Risk-Based Approach** is the identification and quantification of risks for the regulated industries. In any environment, in which scarce resources are present and there is a need to address significant threats, a **Risk-Based Approach** is essential. The NRCS Risk-Based approach is premised on gathering information and transforming such information into actionable intelligence to guide regulatory activities at both the strategic and operational levels.

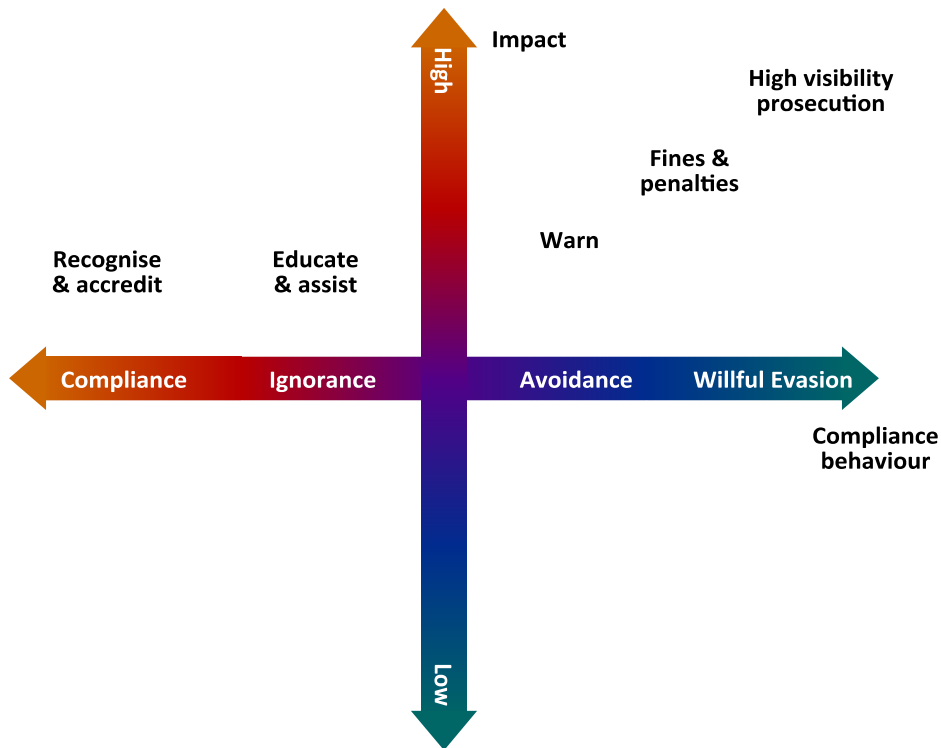
Regulatory response will therefore be developed to address risks in a focused manner. The focus of NRCS will be on according priority attention to addressing high and medium risk products and institutions and planning effective surveillance on low-risk areas. It remains the commitment of NRCS to ensure that in the application of the risk-based approach, there is no breach of the fair-trade and equal opportunity principles, and that businesses will not necessarily find disadvantage as a result of their size, origin and/or other demographic characteristics that the government of South Africa has identified through its transformation policies.

The following important principles will inform NRCS' work:

- Safety critical products must be identified and regulated;
- Compliance, preferably voluntary/ self-compliance, to compulsory specifications and technical regulations;
- Inspection activity should correspond with the level of risk inherent to the product and the risk profile of the applicant/supplier to ensure effective deployment of resources. Two forms of inspections will be conducted depending on the risk profile of products and suppliers:
 - **Surveillance at source:** NRCS will inspect, sample or test products at the point of manufacture or port of entry into South Africa. This approach will also be subject to ongoing, comprehensive analysis and exploration.
 - **Remote Surveillance:** Involves the use of technology where the NRCS inspector will evaluate documentation which may include test reports, pictograms and other technical information at NRCS or other identified premises, but not necessarily at the premises where the products are kept or stored.

The following diagram illustrates how the regulatory response may be focused on the level and type of risks as well as compliance behaviour exhibited.

Compliance Behaviour and NRCS Intervention



Regulating at Source

Regulating and inspecting (regulatory surveillance) at the source of manufacturing will largely assist in locking out non-compliant products before they enter trade and ensure that NRCS is more efficient and effective in regulating the market. Source inspections will entail points of manufacture as well as points of entry into South Africa. Effort will be directed mainly at the point of manufacture and point of entry whilst some effort will be directed at retailers and distributors to gather intelligence and decrease the number of non-compliant products in the South African market.

Finding non-compliant products in the marketplace is evidence of regulatory challenges and failure. The Port of Entry Surveillance Approach will respond to such challenges by decreasing the probability of non-compliant goods entering the South African marketplace.

Due to the large volume of imports into South Africa and the fluid nature of trade, regulatory efficiency and effectiveness will be improved through the intelligent utilisation of information technology.

10. RELEVANT COURT RULINGS

There were no recent court judgements.

11. PLANNED POLICY INITIATIVES

National Building Regulations and Building Standards

The planned review of the National Building Regulations and Building Standards Act (NBR&BS) arose because the built environment has continuously evolved since promulgation of the NBR&BS Act in 1977. The current NBR&BS Act does not address evolving technical developments within the building environment, the municipal administrative systems as well as the alienation of the reporting structures within the building regulatory environment.

PART B: STRATEGIC OVERVIEW

12. THE NRCS SITUATIONAL ANALYSIS

The NRCS' role as a regulator is to ensure that businesses produce, import or sell products or services that are not harmful to consumers or the environment or that do not fall short of the declared measure. The NRCS is also tasked to provide a regulatory function for the building industry to ensure building safety, health, structural stability, and the uniform interpretation of the NBR&BS Act and its regulations.

The strategic context within which the NRCS operates is characterised by two significant trends. The first is the increasing sophistication and activism of consumers, manufacturers and

retailers. The second is the increased need for stronger relationships and cooperation with industry, other regulators, law enforcement bodies, regional and international bodies and other stakeholders.

In updating its assessment of the external environment and its potential impact, the NRCS has performed an External Performance Delivery Environment Analysis using a PESTLE analysis, a SWOT analysis, Stakeholder Analysis and a Risk Review. The NRCS's macro-environment, in particular, was assessed, taking into consideration the Political, Economic, Social, Technological, Legal / Ethics & Environmental aspects.

These trends have informed the development of strategic goals and objectives to steer the organisation on its path to deliver on its mandate.

a. INTERNAL STRATEGIC DRIVERS

Internally, the NRCS is in the process of reviewing its organisational design in order to implement a structure that promotes the accomplishment of the NRCS' mandate in an economical, effective and efficient manner. The Risk-Based Approach and the Port of Entry Enforcement Strategy will fundamentally impact the organisational design of the NRCS. It is envisaged that the Risk-Based Approach and Enforcement Strategy will enable the NRCS to inspect commodities at source and the focus of inspectors will become more proactive in addressing areas of non-compliance through a range of regulatory interventions as opposed to routine inspections. The Risk-Based Approach will enable inspectors to gather market intelligence and create awareness through briefings with stakeholder groupings such as trade unions, chambers of commerce and industry groupings whilst focusing enforcement activities where high risks exist. A new and integrated surveillance approach, informed by the intelligent application of information technology, is planned for adoption to enhance regulatory activities.

NRCS' mandate will be achieved through:

- Committed leadership
- Building a core of committed, skilled and experienced staff
- Communicating openly, transparently and collaborating with all stakeholders

Executing the NRCS mandate in a financially sound and sustainable manner and in Political & Technological aspects

Political	Technological
<ul style="list-style-type: none"> <input type="checkbox"/> Service delivery challenges - depending on approach of winning party and their commitment to service. <input type="checkbox"/> Change in political direction – New policies and goals set that can impact on NRCS mandate. <input type="checkbox"/> Change in the dtic Minister – New Minister may set new agenda which may change NRCS resourcing. <input type="checkbox"/> Conflictual collective bargaining environment. <input type="checkbox"/> Post-election changes in the political administration. <input type="checkbox"/> The perception of political bias is a risk. <input type="checkbox"/> Increased activism regarding public service delivery. 	<ul style="list-style-type: none"> <input type="checkbox"/> Information security challenges. <input type="checkbox"/> Open source platforms and optimizing operations and access to technology. <input type="checkbox"/> Increase in on-line trading and the related challenges e.g., E-commerce <input type="checkbox"/> Rise of flexible working and tele-commuting. <input type="checkbox"/> Real potential of a paperless environment. <input type="checkbox"/> Low cost access to technology & communications devices such as Smartphone's. <input type="checkbox"/> More technology players, lower cost of communications & technology. <input type="checkbox"/> Ease of access to information requirements. <input type="checkbox"/> The rise of 'big data', predictive analytics and intelligent forecasting and reporting tools. <input type="checkbox"/> Availability of "off the shelf" software to impact ICT process, e.g. recording, tracking and reporting. <input type="checkbox"/> Increasing sophistication of threats on IT security and HR processes. <input type="checkbox"/> Increasing cost effective technology for effective records management. <input type="checkbox"/> Keeping up with advancement in technology. <input type="checkbox"/> Enable remote surveillance in order to ensure that non-compliant products are locked-out of the local marketplace, prior to entering trade. <input type="checkbox"/> Efficient intelligence gathering, data mining and risk profiling to ensure that regulatory enforcement activity is well focused and resources are utilised optimally.

Economic & Legal/Ethics aspects

Economic	Legal/Ethics
<ul style="list-style-type: none"> <input type="checkbox"/> Tough economic times have resulted in an increase in corruption. <input type="checkbox"/> Cost cutting through consolidation of public entities. <input type="checkbox"/> Weakening of rand, rising inflation levels and possible interest rate increases. <input type="checkbox"/> BBBEE <input type="checkbox"/> The ongoing worldwide economic recession. <input type="checkbox"/> Downward adjustment of economic growth rate. <input type="checkbox"/> Increase in on-line transactions. <input type="checkbox"/> Financial constraints on the fiscus. <input type="checkbox"/> Companies implement cost control measures which has the potential to result in the production of sub- standard and non-compliant products. 	<ul style="list-style-type: none"> <input type="checkbox"/> More laws, increasing moral prescription rather than reliance on ethics or moral guidance. <input type="checkbox"/> Changes in founding laws are on the horizon. <input type="checkbox"/> Implementation of various laws and the impact on NRCS –e.g., Border Management Act and Consumer Protection Act. <input type="checkbox"/> Legislation which overlaps/ duplication of mandates.

Social & Environmental aspects

Social	Environmental
<ul style="list-style-type: none"> <input type="checkbox"/> Increased awareness and mobilization of people on the ground - promote political agendas that might impact NRCS. <input type="checkbox"/> Urbanization – Rural – Urban migration. <input type="checkbox"/> High levels of unemployment. <input type="checkbox"/> Changes in company culture - Gen Y and Millennials. <input type="checkbox"/> Need for Youth Development. <input type="checkbox"/> Active Citizenry - demand for improved access to services and improved service delivery. <input type="checkbox"/> Increase in flexible working practices. <input type="checkbox"/> Rise of social media and digital inter-connectedness. <input type="checkbox"/> High cost of living drives demand for low cost of goods. 	<ul style="list-style-type: none"> <input type="checkbox"/> Natural disasters – food price increases and less disposable income. <input type="checkbox"/> NRCS environmental responsibilities in respect of sustainable consumption. <input type="checkbox"/> Need to focus on employee safety and wellness in the workplace. <input type="checkbox"/> Focus on waste management in terms of non-compliant products. <input type="checkbox"/> Need to minimise Carbon Footprint. <input type="checkbox"/> Need to innovatively share and package information. <input type="checkbox"/> Reducing consumption e.g., printing, water and electricity. <input type="checkbox"/> Rise in environmentally friendly practices.

SWOT ANALYSIS

Strengths	Weaknesses
<ul style="list-style-type: none"> ● The uniqueness and extent of the NRCS’s mandate positions it as a relevant institutional intervention in the enforcement of compulsory specifications to promote public health and safety, environmental protection and ensuring fair trade. ● ● Established strong partnerships with organisations such as the South African Revenue Services (SARS), South African Police Service (SAPS) and the National Consumer Commission (NCC), among others, to ensure more effective regulation. 	<ul style="list-style-type: none"> ● Lack of technological capabilities for operations and market surveillance ● Operational inefficiencies related to organisational decision making capabilities leading to poor turnaround times and lack of communication and trust among members within the organisation. ● Reducing number of efficiency improvement opportunities as technology enhancements are successfully implemented. ● ICT security threats and safeguarding of information. ● High compliance costs ratio to income as well as resource requirements.
Opportunities	Threats
<p>As part of the Technical Infrastructure institutions the NRCS is better positioned to exploit the following opportunities:</p> <ul style="list-style-type: none"> ● To ensure that technical infrastructure support is available to encourage value-adding growth, 	<ul style="list-style-type: none"> ● The establishment of the Border Management Agency and other players/competitors encroaching on the NRCS activities. The NRCS enforcement functions at the Ports of Entries will in the medium term be

<p>labour-intensive manufacturing and advanced beneficiation.</p> <ul style="list-style-type: none"> ● To take a leading role in promoting technical infrastructure to better equip emerging industries in the SADC region to be competitive in domestic and international markets. ● To support quality infrastructure development in Africa that will facilitate the acceptance of accredited certification, inspection and testing in many African markets, based on single accreditation and a measurement system adapted to intra-Africa trade. 	<p>affected by the establishment of the Border Management Agency</p> <ul style="list-style-type: none"> ● Reduced fiscal allocation by the National Government ● Generally weakening economy ● The impact of COVID-19 Pandemic on trade activities and the national slow growth rate ● Unfunded mandates
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Internal Environment Analysis

The following illustration sets out the **NRCS core process** through its value chain.

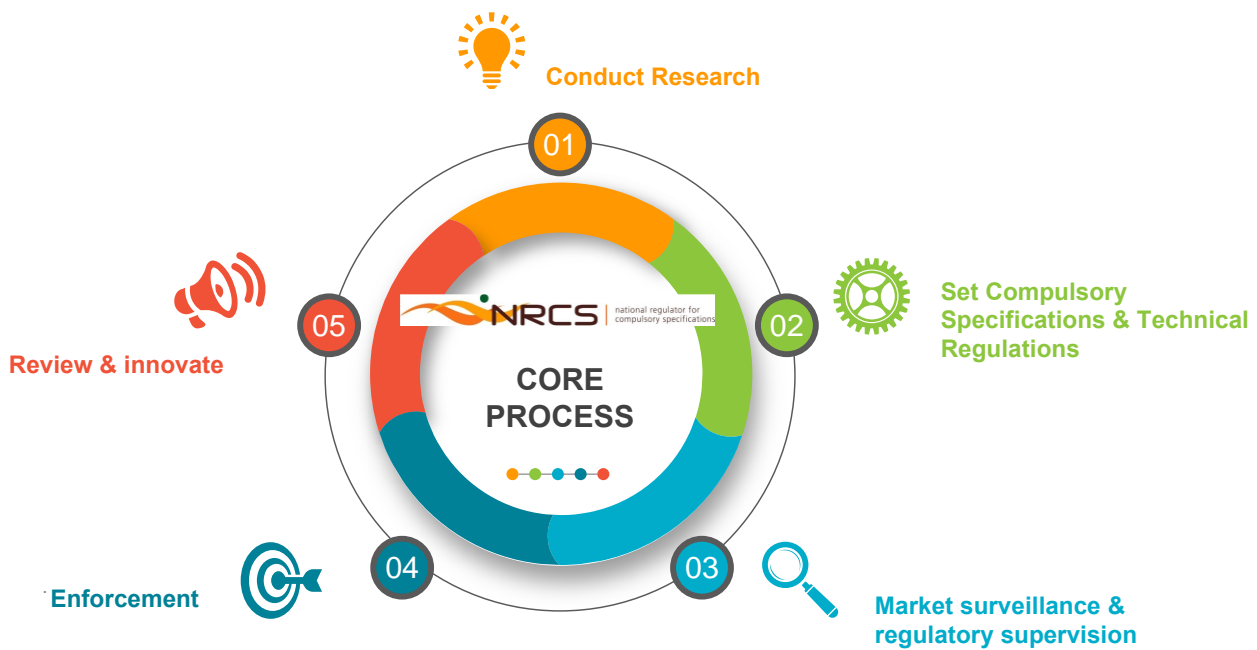


Figure 1: NRCS Core Process / Value Chain

Conduct Research

The NRCS conducts market research and environmental scans / analyses to determine those compulsory specifications and technical regulations that should be introduced to ensure that the health and safety of the South African public, to ensure the environment is protected as well as to ensure fair trade.

NRCS will be proactive in identifying shortcomings in the current regulatory framework as well as with the current compulsory specifications and technical regulations. Furthermore, the development of new compulsory specifications and the amendment of existing ones will be in accordance with industry and consumer needs.

It has been recognised that the Research and Development capability within NRCS will need to be fully capacitated / strengthened going forward to generate actionable intelligence, prioritise activities including Inspections and to better understand the availability of international technical regulations for new products, in particular digitally-enabled products and / or EVs, autonomous vehicles etc. This stage of the NRCS core process **breaks down** in the following areas:

- Lack of buy in and input from stakeholders

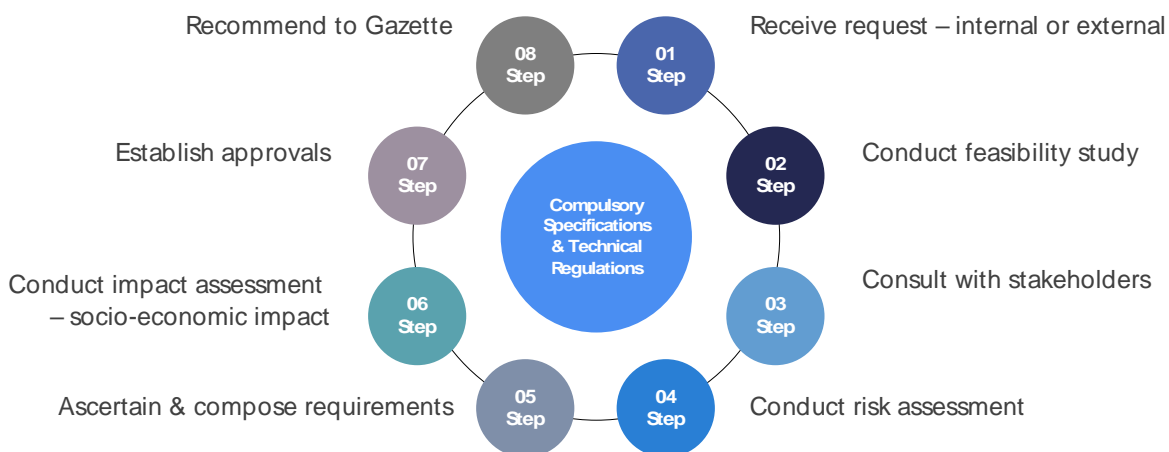
- Availability of information as requested
- Lack of technology to enable analysis of external and internal data

Strengthening this part of the NRCS core process would require:

- Being able to generate **quantitative data** to support decision making
- Using research to enable scientific, evidence / data-driven decision making
- Incorporate technology-appropriate ICT systems
- Greater collaboration with other research-focused entities
- Conduct post VC impact research

Set Compulsory Specifications and Technical Regulations

The process for setting compulsory specifications and developing technical regulations will need to be accelerated to ensure the NRCS's relevance in a world where stakeholder / industry expectations are ever-increasing. The innovated core process is:



Setting Compulsory Specifications & Technical Regulations Process

The development, amendment or withdrawal of compulsory specifications and technical regulations involve conducting risk and impact assessments in the drafting process. Wherever possible, national and international standards are used in the development of these compulsory specifications and technical regulations. In the absence of suitable standards, the NRCS initiates the drafting of the standard or develops a compulsory specification or technical

regulation incorporating the necessary technical requirements in accordance with legislative prescripts. In the case of building regulations, the NRCS develops technical regulations to set the minimum technical requirements for buildings and the built environment. Challenges experienced within this stage of the NRCS core process include:

- Stakeholders do not always agree on the risk assessment and this delays or introduces an element of conflict into the process.
- Delays are experienced in the availability of suitable standards.
- There are delays outside of the NRCS control with gazetting. This will require the dtic to more urgently address these delays.
- Commercial interests, at times, unduly impact decision making.

Increased stakeholder engagement, awareness and education around why Compulsory Specifications and Technical Regulations exist and how they should be used is essential going forward. The NRCS will conduct extensive analysis and engagement with relevant stakeholders to ensure that the specifications and regulations developed are practical, appropriate and meaningful. The NRCS will also engage with stakeholders to provide education and awareness programmes and to promote compliance with compulsory specifications and technical regulations.

Going forward, the NRCS will positively address this stage by:

- Ensuring complete alignment with the Act (full utilisation)
- Ensuring VCs are responsive to public and environmental requirements
- Accelerating the harmonisation and adoption of international regulations
- Working closer with the dtic to ensure clear alignment of interests and to reduce any potential delays in gazetting

Market Surveillance and Regulatory Supervision

The NRCS will continue to apply the Border Enforcement Strategy and the Risk-Based Approach in its work, signifying a shift from the past practice where the NRCS predominantly conducted inspections at retail outlets. NRCS will comprehensively explore the approach of “**inspecting at source of production or port of entry**” to promote compliance behaviour. This combined with the introduction of self-regulation which is currently in its pilot phase will see an increase in inspections at source with an expected improvement in compliance behaviour.

Regulatory supervision also incorporates the pre-market approval process. Pre-market approvals serve as confirmation that the product model which has been evaluated by the NRCS meets the requirements of the relevant compulsory specification or technical regulation.

A need has been identified to strengthen the Inspection process and, in particular the Inspection strategy / planning process to ensure that these are focused on real impact in accordance with an innovated Risk Based Approach.

This stage of the NRCS core process **breaks down** in the following areas:

- Absence of a clear **regulatory framework**
- A need for a focus on the **quality** versus the quantity of inspections
- **A lack of effective investigative** techniques – eg. how to gather evidence
- **Poor planning** – need to ensure geographic / national coverage.
- Requirement for **information and good record keeping** - industries database, compliance history status, all information that is key to planning.
- Record keeping and improvements in all aspects of **administration**
- Lack of ‘**fit for purpose**’ VC or technical regulations
- **Execution** – Travelling, identification of products to be inspected or outcomes of inspections, for example, pro-active, re-active and follow up re-inspections, inclusive of new businesses
- High levels of non-compliance
- Sampling, including approvals and submission of ‘golden’ samples
- Lack of internal intelligence

- e-commerce is currently uncontrolled
- No proper database exists for the retrieval of records etc
- There is a lack of reference labs for the purposes of testing as a regulator

Strengthening this stage of the core process will require:

- A clear regulatory framework and well documented compliance strategy
- An automated system linked to a digital database
- Appropriate ICT-enabled systems and support
- Multi-faceted, competent Inspection Teams
- Technically proficient, knowledgeable and competent Inspectors
- End to end processing on approvals and inspections
- A respected Regulatory Mark or form of recognition
- Increased compliance and high impact inspections
- 100% compliance
- Data / intelligence driven inspections
- Systems integration with other entities such as Customs

We will need to do the following **differently** to deliver success ...

- Capacitate the NRCS through accelerating the 'Modernisation' process
- Better project management
- Proper implementation of a Risk Based Approach and the 80 / 20 principle
- Better performance management and clear linkages to KPIs and KPAs
- Quality, focused inspections based on target setting that has been intelligently thought through. For example, number of approved, targeted Inspections in accordance with the Inspection Plan developed and approved by the Manager
- Consistent Inspection process – in line with applicable VC to prove compliance
- More education, awareness and training
- Better stakeholder management and improved relationships
- More effective sanctions
- Fast-tracked automation of systems
- Adoption of technology to improve controls and increase effectiveness

Enforcement

Enforcing compliance is a significant area of concern for the NRCS as the enabling legislation does not have strong deterrent measures and the appropriate legal forums for effective enforcement action to be prosecuted so as to ensure real, meaningful consequences for non-compliance. This stage of the NRCS process **breaks down** in the following areas:

- **Facility limitations** - especially a lack of facilities for the storage of seized, non-compliant products
- Dependencies on processes involving **other parties** such as law enforcement and / or testing
- Need for **more disciplined chains of evidence** to be established and maintained through effective completion and gathering of evidence on the part of the NRCS Inspectorate
- Development of a **strengthened internal capability** focused on enforcement with Section 15 (3) delegations
- Focus on **completing the enforcement process** in the prescribed 120 days

13. NRCS CORE PROCESS AND PRODUCTS

The Internal Environment Analysis commenced with an assessment of the NRCS core process and where it is breaking down or may need to be enhanced or innovated. The following illustration sets out the **NRCS core process** through its value chain.

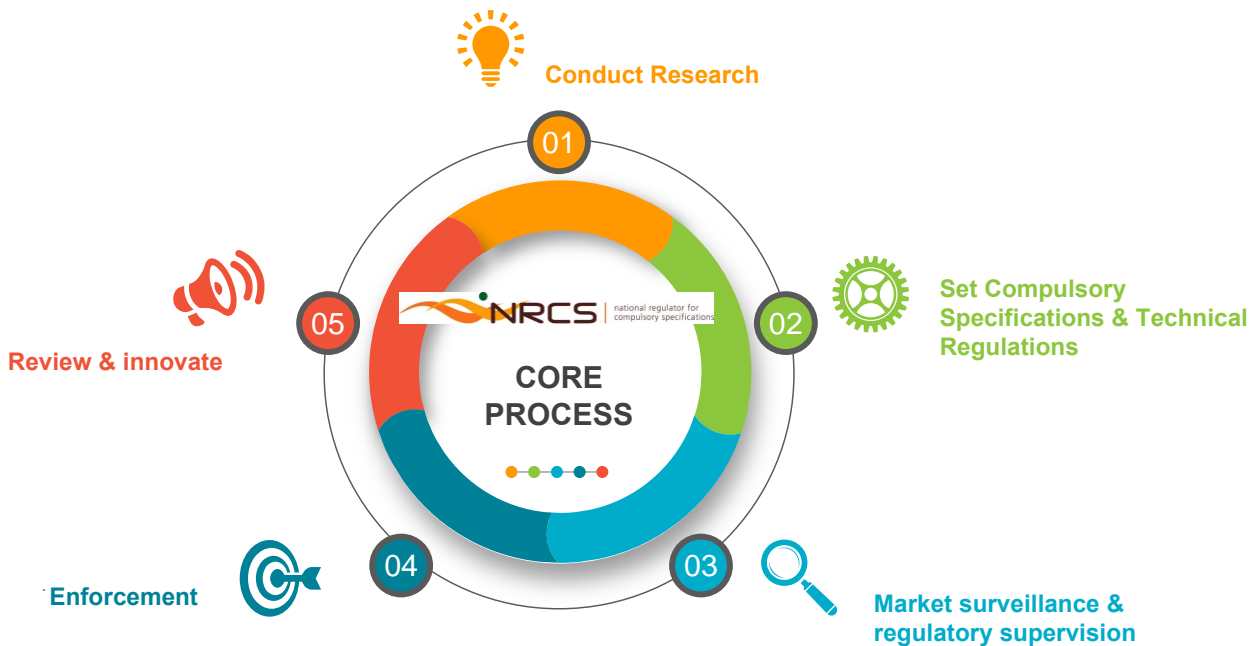


Figure 2: NRCS Core Process / Value Chain

Conduct Research

The NRCS conducts market research and environmental scans / analyses to determine those compulsory specifications and technical regulations that should be introduced to ensure that the health and safety of the South African public, to ensure the environment is protected as well as to ensure fair trade.

NRCS will be proactive in identifying shortcomings in the current regulatory framework as well as with the current compulsory specifications and technical regulations. Furthermore, the development of new compulsory specifications and the amendment of existing ones will be in accordance with the IPAP milestones, industry and consumer needs.

It has been recognised that the Research and Development capability within NRCS will need to be fully capacitated / strengthened going forward to generate actionable intelligence, prioritise activities including Inspections and to better understand the availability of international technical regulations for new products, in particular digitally-enabled products and / or EVs, autonomous vehicles etc. This stage of the NRCS core process **breaks down** in the following areas:

- Lack of buy in and input from stakeholders
- Availability of information as requested (SEISAS)
- Lack of technology to enable analysis of external and internal data

Strengthening this part of the NRCS core process would require:

- Being able to generate **quantitative data** to support decision making
- Using research to enable scientific, evidence / data-driven decision making
- Incorporate technology-appropriate ICT systems
- Greater collaboration with other research-focused entities
- Conduct post VC impact research

Set Compulsory Specifications and Technical Regulations

The process for setting compulsory specifications and developing technical regulations will need to be accelerated to ensure the NRCS's relevance in a world where stakeholder / industry expectations are ever-increasing. The innovated core process is:

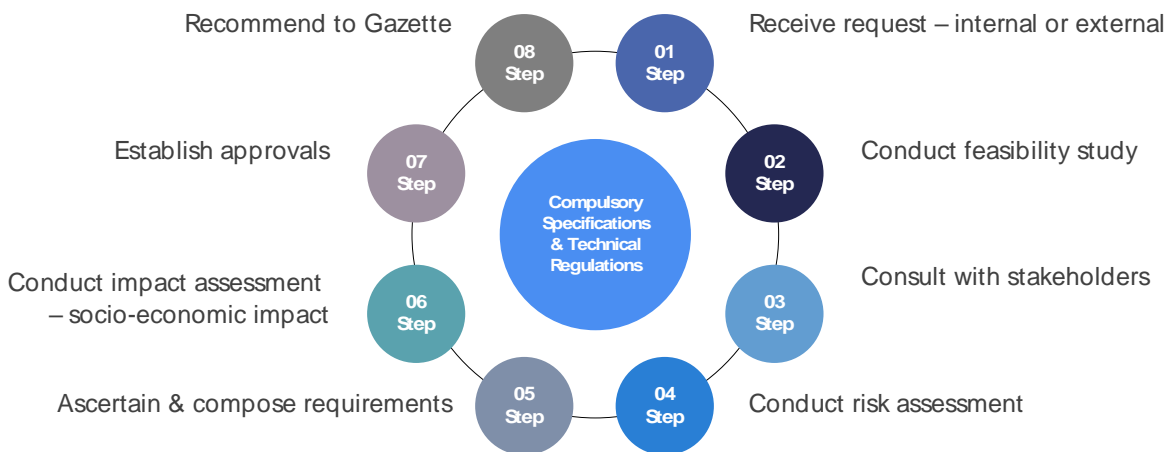


Figure 3: Setting Compulsory Specifications & Technical Regulations Process

The development, amendment or withdrawal of compulsory specifications and technical regulations involve conducting risk and impact assessments in the drafting process. Wherever possible, national and international standards are used in the development of these compulsory specifications and technical regulations. In the absence of suitable standards, the NRCS initiates the drafting of the standard or develops a compulsory specification or technical regulation incorporating the necessary technical requirements in accordance with legislative prescripts. In the case of building regulations, the NRCS develops technical regulations to set the minimum technical requirements for buildings and the built environment. Challenges experienced within this stage of the NRCS core process include:

- Stakeholders do not always agree on the risk assessment and this delays or introduces an element of conflict into the process.
- Delays are experienced in the availability of suitable standards.
- There are delays outside of the NRCS control with gazetting. This will require the dtic to more urgently address these delays.
- Commercial interests, at times, unduly impact decision making.

Increased stakeholder engagement, awareness and education around why Compulsory Specifications and Technical Regulations exist and how they should be used is essential going forward. The NRCS will conduct extensive analysis and engagement with relevant stakeholders to ensure that the specifications and regulations developed are practical, appropriate and meaningful. The NRCS will also engage with stakeholders to provide

education and awareness programmes and to promote compliance with compulsory specifications and technical regulations.

Going forward, the NRCS will positively address this stage by:

- Ensuring complete alignment with the Act (full utilisation)
- Ensuring VCs are responsive to public and environmental requirements
- Accelerating the harmonisation and adoption of international regulations
- Working closer with the dtic to ensure clear alignment of interests and to reduce any potential delays in gazetting

Setting Compulsory Specifications and Technical Regulations

The development, amendment or withdrawal of compulsory specifications and technical regulations involve the conducting of risk and impact assessments in the drafting process. Wherever possible, national and international standards are used as the frame of reference in the development of these compulsory specifications and technical regulations. In the absence of suitable standards, either nationally or internationally, the NRCS initiates the drafting of the standard or develops a compulsory specification or technical regulation incorporating the necessary technical requirements in accordance with legislative prescripts. In the case of building regulations, the NRCS develops technical regulations that establish the minimum technical requirements for the built environment.

Stakeholder Engagement

The NRCS will engage with relevant stakeholders and role-players to ensure that the specifications and regulations developed are practical, appropriate and meaningful.

Review and Innovate

It is essential that the NRCS develops an effective and efficient quality assurance process to ensure that a culture of ongoing learning, improvement and innovation is cultivated. Such an

approach will ensure that the required impact of the regulator is achieved and that there is a focus on high quality outcomes and impact rather than simply on activities. Furthermore, all approaches, methodologies, business processes and procedures will be continually reviewed and re-engineered to keep them current, economical, efficient and effective.

Market Surveillance and Regulatory Supervision.

The NRCS will continue to apply the “Enforcement at Source” Strategy and the Risk Based Approach to its work, signifying a shift from the past practice where we predominantly conducted inspections at retail outlets. We will comprehensively and continuously explore and enhance the approach of “inspecting at source of production or port of entry” as well as the risk-based approach to promote compliant behaviour. This approach, combined with the introduction of self-regulation which is currently in its pilot phase, will see an increase in inspections at source with an increased focus on areas of high risk.

Regulatory supervision also incorporates the pre-market approval process. Pre-market approvals serve as confirmation that the product model which has been evaluated by the NRCS meets the requirements of the relevant compulsory specification or technical regulation and are generally safe for human consumption and the environment.

At the heart of the Risk-Based Approach is the identification and quantification of risks for the regulated industries. In any environment, in which scarce resources are present and there is a need to address significant threats, a Risk-Based Approach is essential. The NRCS Risk-Based approach is premised on gathering information and transforming such information into actionable intelligence to guide regulatory activities at both the strategic and operational levels. Regulatory response will therefore be developed to address risks in a focused manner. The focus of NRCS will be on according priority attention to addressing high and medium risk products and institutions and planning effective surveillance on low-risk areas. It remains the commitment of NRCS to ensure that in the application of the risk-based approach, there is no breach of the fair-trade and equal opportunity principles, and that businesses will not necessarily find disadvantage as a result of their size, origin and/or other demographic

characteristics that the government of South Africa has identified through its transformation policies.

The following important principles will inform NRCS' work:

- Safety critical products must be identified and regulated;
- Compliance, preferably voluntary/ self-compliance, to compulsory specifications and technical regulations;
- Inspection activity should correspond with the level of risk inherent to the product and the risk profile of the applicant/supplier to ensure effective deployment of resources. Two forms of inspections will be conducted depending on the risk profile of products and suppliers:
 - **Surveillance at source:** NRCS will inspect, sample or test products at the point of manufacture or port of entry into South Africa. This approach will also be subject to ongoing, comprehensive analysis and exploration.
 - **Remote Surveillance:** Involves the use of technology where the NRCS inspector will evaluate documentation which may include test reports, pictograms and other technical information at NRCS or other identified premises, but not necessarily at the premises where the products are kept or stored.

PART C: MEASURING OUR PERFORMANCE

13. OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

Each of these goals is linked to a set of strategic (measurable) objectives which are in turn linked to key performance indicators and targets in the organisation's Strategic Plan. Furthermore, the APP will track progress made towards achieving these goals over the three-year cycle.

Strategic Goal One: To develop, maintain and administer compulsory specifications and technical regulations

Whilst fulfilling its mandate in other product and service areas, the NRCS will increase its focus on evolving technologies and technology enabled products, energy conservation and efficiency (energy storage, invertors, batteries and generators), automotive innovations (EV, hydrogen and other renewable energy source motor vehicles including increasingly autonomous vehicles) food and associated value-add products. Through this focus, compulsory specifications will play an increasingly important role in the medium term, by contributing towards energy efficiency, emissions reduction and increasing the exports of the agro-processing industry and, in particular, SMME participants in this industry. The NRCS will increase the scope of its regulatory coverage by identifying and developing new compulsory specifications that provide the optimal balance between the meeting the emerging needs of consumers and benefitting South African industry, in compliance with the NRCS' mandate.

Resources will be dedicated to maintaining a range of compulsory specifications and technical regulations in accordance with government priorities, industry requirements and market analyses conducted by the NRCS. Through this process, the NRCS will conduct impact and risk

assessments to determine the feasibility of developing new compulsory specifications / technical regulations, the feasibility of revising and amending existing ones and withdrawing redundant or no longer relevant compulsory specifications / technical regulations. This will be done in consultation with relevant stakeholders.

Through the achievement of this goal, the NRCS seeks to ensure that any product that may potentially harm consumers, the environment and negatively impact on fair trade is identified, evaluated and regulated. To deliver successfully on this goal, it is essential that a centralised governmental database of all products that may potentially cause harm to the consumer or the environment must be established and that plans and processes must be developed for the regulation of all such products.

The NRCS' aspiration therefore is to further develop an effective, efficient and dynamic regulatory system that is responsive to the fast changing context in which South African businesses and citizens exist and that actively protects citizens and the environment.

Table 1.1: Annual Targets: Goal 1: To develop, maintain and administer compulsory specifications and technical regulations

Outcome	Output	Output Indicator / Measure	Audited Performance 2020/21	Audited Performance 2021/22	Audited Performance 2022/23	Estimated Performance 2023/24	Target 2024/25	Target 2025/26	Target 2026/27
Develop a regulatory system responsive to market needs and capable of contributing to sustained economic impact	Develop Compulsory Specifications (VC)/Technical Regulations (TR) that are relevant, impactful and responsive to market needs	Number of VC's/Tech Regulations (new, amended or withdrawn) submitted to the dtic	8 Compulsory Specifications/ Technical Regulations submitted to the dtic for 1st or 2nd gazette	12 Compulsory Specifications/ Technical Regulations submitted to the dtic for 1 st or 2 nd gazette	5 Compulsory Specifications/ Technical Regulations submitted to the dtic for 1 st or 2 nd gazette	4 Compulsory Specifications/ Technical Regulations submitted to the dtic for 1 st or 2 nd gazette	4 Compulsory Specifications/ Technical Regulations submitted to the dtic for 1 st or 2 nd gazette	4 Compulsory Specifications/ Technical Regulations submitted to the dtic for 1 st or 2 nd gazette	4 Compulsory Specifications/ Technical Regulations submitted to the dtic for 1 st or 2 nd gazette
		Percentage of Impact Assessment of compulsory specifications finalised within 12 months from the date project is approved					100% of all Impact Assessments on Compulsory Specification finalised within 12 months from the date project is approved	100% of all Impact Assessments on Compulsory Specification finalised within 12 months from the date project is approved	100% of all Impact Assessments on Compulsory Specification finalised within 12 months from the date project is approved

Table 1.2: Cumulative Quarterly Targets: Goal 1: To develop, maintain and administer compulsory specifications and technical regulations

Number	Output Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
1.1	Number of new, amended or withdrawn VC's/Tech Regulations submitted to the dtic for 1st or 2nd gazette	Annual Cumulative					4 Compulsory Specifications/ Technical Regulations
1.2	Percentage of Impact Assessment of compulsory specifications finalised within 12 months from the date project is approved	Annual Cumulative					100% of all Impact Assessments on Compulsory Specification finalised within 12 months from the date project is approved

Strategic Goal Two: To maximise compliance with all specifications and technical regulations

The NRCS seek to improve compliance with compulsory specifications and technical regulations through establishing pre-market approvals, enhanced market surveillance, timeous testing where required and the imposition of consequences, including sanctions, where non-compliance has been identified. The NRCS will use a risk-based approach, an effective border enforcement strategy, self-regulation, inspection at source and benchmarking of business models to improve the efficiency and effectiveness of its regulatory activities.

Regulatory interventions will be implemented to reduce the availability of non-compliant products in the market. These interventions will include the traditional NRCS on-site surveillance activities, enforcement, investigations, testing of products, awareness briefings and communication as well as desktop / remote inspections. An inspection will have the most effective impact when conducted at the source of the product. A quality assurance process will randomly check that these interventions comply with inspection quality standards.

The NRCS will, on an ongoing basis, develop and institutionalize improvements to its core regulatory process to ensure greater regulatory efficiency and effectiveness. Through this, the NRCS will:

- Develop an effective, efficient and responsive process to enable timeous testing, as may be required
- Develop an efficient, consistent approach to Risk Based Regulation, executed in a disciplined way
- On an ongoing basis, evaluate and assess levels of compliance in the market through sampling, testing, and trend analysis.
- Ensure well-focused inspections that contribute to improved compliance
- Implement compliance activities that enables positive economic contribution whilst contributing to greater inclusivity of economic participation on the part of entrepreneurs, SMMEs and compliant businesses

Another specific intervention to be employed to limit the quantum of non-compliant products will be to enforce the requirement that a valid LOA must be pre-approved for all safety critical products entering into or being traded in South Africa. It is expected that the LOA requirement will not apply to labelling as all products traded must comply with Legal Metrology prescripts.

Table 2.1: Annual Targets: Goal 2: To maximise compliance with all specifications and technical regulations

Outcome	Output	Output Indicator / Measure	Audited Performance 2020/21	Audited Performance 2021/22	Audited Performance 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27	
Enable compliance and facilitate trade	Increased coverage of effective market surveillance activities and compliance activities	Number of Inspections conducted as per the NRCS Risk Based Approach to monitor compliance to regulations within the Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and Legal Metrology Sectors	10 560	21 065	21 293	20 433	20 875	21 214	21 316	
		Percentage of Inspections conducted on locally produced, imported and exported canned fishery and meat product consignments in accordance with the compulsory specification and procedures	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared canned fishery and meat products produced.
		Number of inspections conducted on locally produced fishery products (live, chilled and frozen), processed meat products, retail, fishery and meat processing factories and vessels as well as fishery and meat retail inspections, in accordance with	1942 inspections	2247 inspections	2701 inspections	2458 inspections	2562 inspections	2771 inspections	2892 inspections	

Outcome	Output	Output Indicator / Measure	Audited Performance 2020/21	Audited Performance 2021/22	Audited Performance 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27
		the compulsory specification and procedures							
		Trade Facilitation: Facilitate exportation of canned meat, fish and fishery products				R8 billion worth of products exported from South Africa	R8 billion worth of products exported from South Africa	R9 billion worth of products exported from South Africa	R9 billion worth of products exported from South Africa
		Percentage of gaming approval applications finalised (approved or rejected or closed) within the set timeframes	99,89% of all applications processed within 30 calendar days	100% of all applications processed within 30 calendar days	100% of all applications processed within 30 calendar days	99% of all applications processed within 30 calendar days	99% of all applications processed within 30 calendar days	99% of all applications processed within 30 calendar days	99% of all applications processed within 30 calendar days
		Percentage of approval applications finalised (approved or rejected or closed) within the set timeframes in Automotive, Electro-technical, Chemical Materials and Mechanicals. Improve the ease of doing business	92% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 90 calendar days	95% of all approval applications processed within 90 calendar days	95% of all approval applications processed within 90 calendar days	95% of all approval applications processed within 80 calendar days
		Identify and sanction non-compliant products and services enable complaint business to trade fairly	-	-	-	R350 million worth of non-compliant products identified and corrected or removed from the market	R350 million worth of non-compliant products identified and corrected or removed from the market	R390 million worth of non-compliant products identified and corrected or removed from the market	R390 million worth of non-compliant products identified and corrected or removed from the market

Table 2.2: Cumulative Quarterly Targets: Goal 2: To maximise compliance with all specifications and technical regulations

Number	Output Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
2.1	Number of Inspections conducted as per the NRCS Risk Based Approach to monitor compliance to regulations within the Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and Legal Metrology Sectors	Quarterly Cumulative	20 875	4974	10 388	15 783	20 875
2.2	Percentage of Inspections conducted on locally produced, imported and exported canned fishery and meat product consignments in accordance with the compulsory specification and procedures	Quarterly Cumulative	100% of inspections conducted on all declared canned fishery and meat products produced.	100% of inspections conducted on all declared produced canned fishery and meat products	100% of inspections conducted on all declared produced canned fishery and meat products	100% of inspections conducted on all declared produced canned fishery and meat products	100% of inspections conducted on all declared produced canned fishery and meat products
2.3	Number of inspections conducted on locally produced fishery products (live, chilled and frozen), processed meat products, retail, fishery and meat processing factories and vessels as well as fishery and meat retail inspections, in accordance with the compulsory specification and procedures	Quarterly Cumulative	2562 inspections	676 inspections	1 381 inspections	1968 inspections	2562 inspections
2.4	Trade Facilitation: Facilitate exportation of canned meat, fish and fishery products	Annual Target	R8 billion worth of products exported from South Africa				R8 billion worth of products exported from South Africa
2.5	Percentage of gaming approval applications finalised (approved or rejected or closed) within the set timeframes	Quarterly Cumulative	99% of all applications processed within 30 calendar days	99% of all applications processed within 30 calendar days	99% of all applications processed within 30 calendar days	99% of all applications processed within 30 calendar days	99% of all applications processed within 30 calendar days

Number	Output Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
2.6	Percentage of approval applications finalised (approved or rejected or closed) within the set timeframes in Automotive, Electro-technical, Chemical Materials and Mechanicals	Quarterly Cumulative	95% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 90 calendar days	95% of all approval applications processed within 90 calendar days	95% of all approval applications processed within 90 calendar days	95% of all approval applications processed within 90 calendar days
2.7	Identify and sanction non-compliant products and services enable complaint business to trade fairly	Annual Target	R350 million worth of non-compliant products identified and corrected or removed from the market				R350 million worth of non-compliant products identified and corrected or removed from the market

Strategic Goal Three: To inform and educate our stakeholders about the NRCS

NRCS strongly believes that increased awareness of the role and mandate of the regulator, as well as of technical regulations and compliance requirements contributes significantly to voluntary compliance. This goal will be achieved through effective communication initiatives, the shaping of perceptions through the media and targeted training and awareness campaigns. A positive, credible, professional image of the NRCS will shape attitudes towards compliance. A respected regulator who is perceived to be fair and effective and to hold sufficient power to enforce compliance is likely to be a deterrent to potential transgressors.

Table 3.1: Annual Targets: Goal 3: To inform and educate our stakeholders about the NRCS

Outcome	Output	Output Indicator / Measure	Audited Performance 2020/21	Audited Performance 2021/22	Audited Performance 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27
Informed Stakeholders on NRCS functions	Build Stakeholder and Public awareness	Number of stakeholder and consumer education events or campaigns	10 Consumer education events or campaigns	21 stakeholder and consumer education events or campaigns	27 stakeholder and consumer education events or campaigns	12 stakeholder and consumer education events or campaigns	21 stakeholder and consumer education events or campaigns	23 stakeholder and consumer education events or campaigns	24 stakeholder and consumer education events or campaigns
		Approved Stakeholder Engagement Strategy and % Implementation of the Stakeholder Engagement Strategy	60% implementation of the Stakeholder Engagement Strategy	98% implementation of the Stakeholder Engagement Strategy	95% implementation of the Stakeholder Engagement Strategy	96% implementation of the Stakeholder Engagement Strategy	97% implementation of the Stakeholder Engagement Strategy	97% implementation of the Stakeholder Engagement Strategy	98% implementation of the Stakeholder Engagement Strategy
		Stakeholder satisfaction and impact of NRCS programs						Conduct stakeholder satisfaction survey	

Table 3.2: Cumulative Quarterly Targets: Goal 3: To inform and educate our stakeholders about the NRCS

Number	Output Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
3.1	Number of stakeholder consumer education events or campaigns	Quarterly Cumulative	21 Consumer education events or campaigns	3 NRCS consumer education events or campaigns	6 NRCS consumer education events or campaigns	15 NRCS consumer education events or campaigns	21 NRCS consumer education events or campaigns
3.2	Approved Stakeholder Engagement Strategy and % Implementation of the Stakeholder Engagement Strategy	Quarterly Cumulative	97% implementation of the Stakeholder Engagement Strategy	97% implementation of the Stakeholder Engagement Strategy	97% implementation of the Stakeholder Engagement Strategy	97% implementation of the Stakeholder Engagement Strategy	97% implementation of the Stakeholder Engagement Strategy

Strategic Goal Four: To ensure an optimally capacitated institution

This goal will be achieved when the NRCS effectively and efficiently utilises all available resources in the most optimal manner. The NRCS will have:

- Human Resource capacity that is highly engaged, skilled and competent. Effort will be focused on filling vacant positions in the approved structure
- An ICT Platform that fully supports the business with dedicated resources allocated to the modernisation review project
- A reviewed and innovated NRCS funding model
- Sound financial management and supply chain management systems
- Sound and effective support structures
- Sound and effective governance structures

Table 4.1: Annual Targets: Goal 4: To ensure an optimally capacitated institution

Outcome	Output	Output Indicator / Measure	Audited Performance 2020/21	Audited Performance 2021/22	Performance 2022/23	Target 2023/24	Target 2024/25	Target 2025/26	Target 2026/27
Increase effectiveness of human resources (NRCS employees)	A capacitated organisation with relevant systems to support business	Percentage (%) of vacancies. Vacancy rate of approved and funded posts	5%	5%	8%	8%	10%	10%	10%
	Create employment and build a skills base through the internship program	Number of employees employed through the internship programs		21 employees	21 employees	30 employees	20 employees	35 employees	35 employees
	Generate revenue to sustain NRCS operations	Percentage revenue generated against the revenue budget for levies and service revenue	-	-	-	95% budgeted revenue achieved	95% budgeted revenue achieved	95% budgeted revenue achieved	95% budgeted revenue achieved
	Build IT platform and systems that supports and improve business	Percentage (%) implementation of Modernization related projects	45% implementation of Modernization related projects	95% Implementation of Enterprise Resource Planning System –Human Resources Modules	30% implementation of the NRCS Operations System	50% implementation of the NRCS Operations System	50% implementation of the NRCS Operations System	97% implementation of the NRCS ICT Strategy	97% implementation of the NRCS ICT Strategy

Table 4.2: Quarterly Targets: Goal 4: To ensure an optimally capacitated institution

Number	Output Indicator / Measure	Reporting Period	Annual Target	Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target
4.1	Percentage (%) of vacancies. Vacancy rate of approved and funded posts	Quarterly	10%	10%	10%	10%	10%
4.2	Number of employees employed through the internship programs	Annual	20 employees				20 employees
4.3	Percentage revenue generated against the revenue budget for levies and service revenue		95% budgeted revenue achieved				95% budgeted revenue achieved
4.4	Percentage (%) implementation of Modernization related projects	Annual	50% implementation of the NRCS Operations System	-	-	-	50% implementation of the NRCS Operations System

14. NEW OR AMENDED COMPULSORY SPECIFICATIONS MOTIVATION

Title of the Compulsory Specification	Motivation for the Compulsory Specification or Amendment of the Compulsory Specification
<p>1. The compulsory specification for Crude fish oil intended for human consumption (VC 9111)</p>	<p>The South African fish oil industry need to ensure that the fish oil that is meant for human consumption is safe. Furthermore, the industry has also identified a niche market for exporting crude fish oil, intended for human consumption to identified destinations which offers value-add and employment opportunities in terms of refining the product as opposed to exporting only for animal consumption. This oil is used in the supplement production for human consumption.</p> <p>As the Competent Authority for food and associated products the NRCS requires a regulation against which the Health Guarantees to accompany all consignments of crude fish oil for export markets may be issued. The NRCS is a competent authority for monitoring and subsequent export certification/health guarantees for fishery products and already registered as such in these markets.</p>
<p>2. VC9108, Compulsory Specification for Dried abalone submitted February 2020 for first gazette (for public comments) and update as of August 2021 is that it is being processed</p>	<p>A report on an assessment of South African dried abalone (<i>Haliotis midae</i>) consumption and trade in Hong Kong published in February 2018 recommended amongst other interventions, the NRCS role to facilitate suitable export health guarantees (Traffic, 2018). The fisheries department also communicated this request for NRCS to develop a Compulsory specification. NRCS is currently regulating certain fishery products and is also recognised as a Competent</p>

Title of the Compulsory Specification	Motivation for the Compulsory Specification or Amendment of the Compulsory Specification
	<p>Authority to issue export certification or health guarantees to importing countries. This will also aid in trust of traceability matters.</p>
<p>3. VC8021, Amendment of a compulsory Specification chilled smoked finfish and smoke-flavoured finfish</p>	<p>The NRCS regulates processed fish and fishery products and canned meats. The NRCS is also recognized as the Competent Authority in South Africa for fish and fishery products by the EU and other countries, has the necessary competence and is also currently issuing the health guarantees for the export of chilled fish.</p> <p>The Ministers of Health and the dtic has concurred that the scope be expanded to cover chilled smoked finfish and smoke-flavoured finfish and products derived therefrom. Smoked fish is one of the typical food products associated with <i>Listeria Monocytogenes</i> (FAO/WHO <i>Listeria monocytogenes</i> risk assessment, 2004). This bacterium was responsible for the recent Listeriosis outbreak in South Africa during 2018 which was finally traced to processed meats i.e. Polony (www.nicd.ac.za). This regulation is therefore also meant to minimise the risk of listeriosis.</p>
<p>4. VC8017, Amendments of the Compulsory Specification for frozen fish, marine molluscs, and products derived therefrom (VC 8017)</p>	<p>NRCS encountered a challenge in the control of imported prawns which were contaminated with pathogenic bacteria. The imported fishery products are receiving more non-compliant directives as opposed to locally produced products about 78% non-compliance being on</p>

Title of the Compulsory Specification	Motivation for the Compulsory Specification or Amendment of the Compulsory Specification
<p>5. VC8031, Amendments of the Compulsory Specification for frozen shrimps (prawns), langoustines and crabs and products derived therefrom (VC 8031)</p> <p>6. Final gazette of VC8020 (frozen lobster) is also aligned with these VCs</p>	<p>imported. Having considered need for control measures, some clauses have been updated to also among other things include mandatory requirement for import health guarantee (export certification from the exporting country's competent authority) and other minor improvements. A health guarantee offers protection to the importer to reduce the risk of importing from a non-registered or non-compliant facility. This is because the local importer will be the one bearing the cost of storage awaiting decision for either destruction or sending consignments back to country of origin if the consignments are found to be not fit for human consumption.</p>
<p>7. Chilled finfish, marine molluscs and crustaceans, and products derived therefrom</p>	<p>The need to include chilled fishery products in existing regulatory requirements in the NRCS' Compulsory Specifications arises from the health guarantee service which the NRCS already provides for the export of chilled fish for a number the years. This VC will also facilitate the compliance of chilled fish from aquaculture to satisfy export destination requirements and local monitoring thereof.</p>
<p>8. VC 8022, Compulsory Specification for Motor vehicles of category M1;</p>	<p>NRCS Safer Vehicles 2025 project motivations to amend these Compulsory Specifications include the</p> <p>Following:</p>
<p>9. VC 8024, Amendment of the Compulsory Specification for Motor vehicles of category N;</p>	<ul style="list-style-type: none"> • A request from industry for the upgrading of the safety requirements in the VCs (including the referenced standards)

Title of the Compulsory Specification	Motivation for the Compulsory Specification or Amendment of the Compulsory Specification
10. VC 8023, Amendment of the Compulsory Specification for Motor vehicles of category M2/3;	<ul style="list-style-type: none"> • A recommendation from WP29 to support the recommendations from the United Nations road safety campaign (including making some vehicle safety features mandatory). The United Nations resolution calls on governments to ensure that all new motor vehicles meet applicable minimum regulations for occupant and other road users' protection, with seat belts, air bags and active safety systems fitted as standard". • A request from government to support the Decade of Action – Road Safety as declared by the South African Department of Transport • A request from industry to consider the findings and recommendations from the Safer-Cars-For-Africa campaign, released by Global New Car Assessment Programme (NCAP) and Automobile Association South Africa (AASA) • Findings from the Public Protector report on the illegal conversions of panel vans into passenger carrying vehicles. • A need to amend the requirements to include some of the latest product and technological developments (i.e. advanced driver assistance systems • ADAS, anti-lock braking systems –ABS, electronic stability control – ESC and alternative propulsion requirements – Electric vehicles, gas fuelled vehicles
11. VC 8025, Amendment of the Compulsory Specification for Motor vehicles of category N 2/3;	
12. VC 8026, Amendment of the Compulsory Specification for Motor vehicles of category O ½;	
13. Amendment of the Compulsory specification for child restraints for use in motor vehicles	
14. Amendment of the compulsory specification for 15. mechanical coupling components of combinations of vehicles, VC 8065	
16. VC 9008, Amendment of a Compulsory specification for energy	Energy efficiency: This compulsory specification intends to drive the market towards energy-efficient products and contribute to saving electrical energy as per the Department of Mineral Resources and Energy (DMRE) energy strategy, reducing electricity cost for consumers and

Title of the Compulsory Specification	Motivation for the Compulsory Specification or Amendment of the Compulsory Specification
efficiency and labelling of electrical and electronic apparatus	reducing the negative impact of greenhouse gases on the environment. It is rolled out in pre-determined phases.
17. VC 8006 - Amendment to the compulsory specification for flexible cords for electrical appliances	To introduce SANS 1574-2 as an alternative standard to test against and demonstrate compliance.
18. VC 9085, Amendment of the compulsory specification for cement	Final gazette – amended transitional clauses and other administrative clauses for ease of application.
19. VC 9106, Polymer film for damp-proofing and waterproofing in buildings	Polymer film is used for waterproofing and is used for water insulation and act as a moisture barrier, preventing water from entering or filtering through the various elements that make up a building. These materials are permanently added to the structures; therefore, have a direct impact on the quality and safety of buildings. The use of inferior construction materials and short measure in the thickness of the film can negatively affect its expected performance when incorporated in buildings i.e. fail to prevent moisture penetration in buildings and thus pose health, safety and environmental risks to occupants of those buildings.
20. VC 9092, Amendment of the Preservative treatment of timber.	Amendments to improve effectiveness and efficiency of VC 9092 as well as aligning the referenced standards accordingly to ease application of this compulsory specification.

Title of the Compulsory Specification	Motivation for the Compulsory Specification or Amendment of the Compulsory Specification
21. VC 8087, the Compulsory Specification for plastic carrier bags and flat bags.	Periodic review to address the gaps identified in the interventions for plastic pollution (DFFE-NRCS MOU). Plastic pollution has become a pervasive environmental issue and has gained considerable attention in recent years. The amended VC 8087 incorporates the new types of eco-friendly and alternative materials that may be used to construct plastic carrier bags and flat bags. It will also address the limit of filler materials and other additives which will result in more durable bags and high-quality recyclate materials at the end of their life cycle.
22. VC 8072, Respiratory protective devices (RPDs)	Periodic review to address some challenges with the implementation i.e. The VC does not include the equivalence of standards for products that are manufactured to other Regional Standards. To also address administrative clause to manage the active role players database to ease implementation.
23. VC 8079, The control of gaming devices and related apparatus	Periodic review has necessitated amendment of this VC to ensure the requirements are relevant in terms of technology and as per the current product offerings. The VC need to also be updated to include the administrative process and the normative references.
24. Legal metrology technical regulation for Kingpin measuring instruments 25. Tyre tread measuring instrument	The Road Traffic Management Corporation submitted a list of measuring instruments to be regulated in terms of Legal Metrology regulations.

15. The dtic SUMMARY QUANTITATIVE OUTPUT TARGETS

Output Number	Outputs	Outcomes
Output 1	R200 billion in investment pledges secured across the state	Industrialization
Output 2	R40 Billion in additional local output committed or achieved	Industrialisation
Output 3	R700 Billion in manufacturing exports	Industrialisation
Output 4	R300 Billion in manufacturing exports to other African countries	Industrialisation & Transformation
Output 5	R2.5 Billion in exports of Global Business Services (GBS)	Industrialisation
Output 6	R30 Billion in support programmes administered by or in partnership with the dtic -group	Industrialisation, Transformation & Capable State
Output 7	R15 Billion support programmes to enterprises in areas outside the 5* main metros	Industrialisation & Transformation
Output 8	R8 Billion in financial support programmes to SMMEs, and women and youth-empowered businesses	Transformation
Output 9	R7.5 Billion in financial support programmes to enterprises in labour absorbing sectors	Transformation

Output Number	Outputs	Outcomes
Output 10	R 800 Million in Equity Equivalent Investment Programme agreements	Industrialisation and Transformation
Output 11	R 40 Billion in Black Industrialist output	Industrialisation and Transformation
Output 12	1 Million Jobs Supported or covered by Master Plans	Transformation
Output 13	100 000 jobs to be created (50 000 social economy fund part-time or temporary job opportunities and 50 000 full-time jobs)	Transformation
Output 14	23 000 jobs in Black Industrialists firms	Transformation
Output 15	20 000 additional workers with shares in their companies	Transformation
Output 16	10 high-impact outcomes on addressing market concentration, at sector or firm level.	Industrialisation and Transformation
Output 17	2 New SEZs designated and support work with provinces related to industrial parks	Industrialisation & Transformation
Output 18	R1.3 Billion in financial support to enterprises including SMMEs to mitigate impact of load shedding through energy resilience fund	Industrialisation & Transformation
Output 19	1400 Megawatts of energy from projects facilitated	Industrialisation & Capable State

Output Number	Outputs	Outcomes
Output 20	550 Megawatts of energy available for the grid	Industrialisation & Capable State
Output 21	1 Energy One-stop Shop operational	Capable State
Output 22	Expedited regulatory amendments and flexibility, to promote energy efficiency	Industrialisation, Transformation And Capable State
Output 23	100 Investor facilitation and unblocking interventions provided	Industrialisation
Output 24	Greylisting: Publication of 'Know your Shareholder' regulations	Capable State
Output 25	10 Business Forums aimed at supporting increased FDI, exports and outward investment hosted.	Industrialisation, Transformation & Capable State
Output 26	4 Pieces of priority legislation amended, tabled or submitted to Executive Authority, Cabinet or Parliament.	Industrialisation, Transformation & Capable State
Output 27	Implementation of the AFCFTA	Industrialisation
Output 28	10 High impact trade interventions completed	Industrialisation & Transformation
Output 29	1 Strategy finalised responding to the EU Carbon Border Adjustment Mechanism (CBAM) non-tariff barriers	Industrialisation
Output 30	1 EV Strategy finalised	Industrialisation

Output Number	Outputs	Outcomes
Output 31	1 Finalisation of green hydrogen commercialisation framework	Industrialisation
Output 32	1000 Case studies of firms, workers, entrepreneurs, professionals or communities' individuals impacted by the dtic measures; including 12 local films/documentaries telling the SA story	Capable State
Output 33	52 Community outreach programmes by the dtic group	Industrialisation, Transformation & Capable State
Output 34	7 Master Plans managed and 1 new masterplan to be finalised.	Industrialisation And Transformation
Output 35	Oversight of IDC, NEF and ECIC to ensure that at least 95% of planned KPIs are achieved	Industrialisation, Transformation & Capable State
Output 36	Oversight of other entities to ensure that at least 95% of planned KPIs are achieved	Industrialisation, Transformation & Capable State
Output 37	5 Conferences, summits, and international forums hosted	Industrialisation, Transformation & Capable State
Output 38	50 Mergers and acquisitions where public interest conditions have been incorporated	Industrialisation, and Transformation

Output Number	Outputs	Outcomes
Output 39	4 High-impact measures to improve the efficiency and/or effectiveness, of the dtic's policy or programme interventions.	Capable State
Output 40	10 High-impact measures to reduce red tape or improve turnaround times in administration of incentives and work of agencies	Industrialisation, Transformation & Capable State
Output 41	4 Protocols finalised under the AfCFTA	Capable State
Output 42	1 Metal Trading System developed to identify stolen public infrastructure entering the scrap metal value-chain, export market or legitimate metal production industry	Industrialisation, Transformation & Capable State
Output 43	Promotion of a transparent and just adjudication process for incentive applications	Capable State
Output 44	6 Impact assessments of trade instruments	Transformation
Output 45	10 Successful actions completed on price monitoring and excessive pricing or price gouging	Industrialisation and capable state

16.NRCS CONTRIBUTION TO THE DTIC INDICATORS/OUTCOMES

Outcome	Outputs	Output Indicators	NRCS Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
R700 bn in manufacturing exports	Facilitate exports	Trade Facilitation: Facilitate exportation of canned meat, fish and fishery products				R8 billion worth of products exported from South Africa	R8 billion worth of products exported from South Africa	R9 billion worth of products exported from South Africa	R9 billion worth of products exported from South Africa
1000 Case studies of firms, workers, entrepreneurs, professionals or communities impacted by the dtic measures	Case Studies	Number of case studies conducted			20	20	20	24	25
52 Community Outreach programmes by the dtic group	Outreach programmes	Number of community outreach programmes			2	2	3	4	4
1 Million Jobs supported	Designate bodies within the Legal Metrology space to conduct work on behalf of NRCS	Designate 100% of all new BBBEE compliant laboratories and repair bodies	-	-	-	Assist and Designate 100% of all new BBBEE compliant laboratories and repair bodies that apply to the NRCS and meet the requirements for designation	Assist and Designate 100% of all new BBBEE compliant laboratories and repair bodies that apply to the NRCS and	Assist and Designate 100% of all new BBBEE compliant laboratories and repair bodies that apply to the NRCS and	Assist and Designate 100% of all new BBBEE compliant laboratories and repair bodies that apply to the NRCS and

Outcome	Outputs	Output Indicators	NRCS Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
								meet the requirements for designation	meet the requirements for designation	meet the requirements for designation
100 000 jobs to be created	NRCS Annual Internship Programme	Number of non-permanent jobs created for the year		21	21	30 – Interns employed	21 – Interns employed	35 – Interns employed	35 – Interns employed	35 – Interns employed
700 bn in manufacturing exports	Management of the WTO Technical Barriers to Trade (TBT) Agreement	48-Hour Turnaround time on the WTO/TBT enquiries enquiry point (e.g., Access to standards or regulation)				48- Hour Turnaround time to respond to requests for information achieved	48-Hour Turnaround time to respond to requests for information achieved	24-Hour Turnaround time to respond to requests for information achieved	24-Hour Turnaround time to respond to requests for information achieved	24-Hour Turnaround time to respond to requests for information achieved
Trade Agreements: TBA (UK, EU, SADC, AFCFTA)	Support the implementation of the AfCFTA and regulations harmonisation forums through active participation in regional and international bodies i.e.. ARSO and AFSEC	Participation in Technical Harmonisation Committees to develop African, Regional and International technical regulations				Participate in AFRIMETS, SADC, SADC TBT Co-operation Agreement, SADC TBTEG, SADCMEML, ARSO, UN WP29, OIML and IEC	Participate in AFRIMETS, SADC, SADC TBT Co-operation Agreement, SADC TBTEG, SADCMEML, ARSO, UN WP29, OIML and IEC	Participate in AFRIMETS, SADC, SADC TBT Co-operation Agreement, SADC TBTEG, SADCMEML, ARSO, UN WP29, OIML and IEC	Participate in AFRIMETS, SADC, SADC TBT Co-operation Agreement, SADC TBTEG, SADCMEML, ARSO, UN WP29, OIML and IEC	Participate in AFRIMETS, SADC, SADC TBT Co-operation Agreement, SADC TBTEG, SADCMEML, ARSO, UN WP29, OIML and IEC

Outcome	Outputs	Output Indicators	NRCS Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Expedited regulatory amendments and flexibility to promote energy efficiency	Support the EV industry through the development and implementation of Compulsory Specifications within the scope of energy efficiency and electric vehicles	Compulsory specifications developed and implemented for energy efficiency and Electric Vehicles				Develop and implement compulsory specifications for energy efficiency and electric vehicles	Develop and implement compulsory specifications for energy efficiency and electric vehicles	Develop and implement compulsory specifications for energy efficiency and electric vehicles	Develop and implement compulsory specifications for energy efficiency and electric vehicles
10 high impact measures to reduce red tape or improve turn-around times in administration of incentives and work of agencies	Reduce the average number of days to issue LOAs	Percentage of approval applications finalised (approved or rejected or closed) within the set timeframes in Automotive, Electro-technical, Chemical Materials and Mechanicals. Improve the ease of doing business	91,8% of all approval applications finalised within 120 calendar days	92% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 120 calendar days	95% of all approval applications processed within 90 calendar days	95% of all approval applications processed within 90 calendar days	95% of all approval applications processed within 90 calendar days

17. UPDATED KEY RISKS

Risk/Threat	Impact	Inherent Risk			Residual Risk		
		Impact	Likelihood	Total	Impact	Likelihood	Total Risk
Ineffective Regulation of the market/Unregulated products/services	Public/ environment exposure to unsafe products - Reputational damage to the NRCS	4	4	16	4	3	12
Non-compliant regulated products in the market	Non achievement of NRCS objectives	4	5	20	4	4	16
Inadequate sanctioning of non-compliances	Unsafe products available on the markets	5	4	20	5	3	15
Financial Sustainability of the NRCS	Inability to continue as Going Concern- Non achievement of NRCS objectives	5	5	25	5	4	20
Inadequate IT Systems	Ineffective regulator or failure to deliver on NRCS Mandate	5	5	25	5	4	16
Fraud and Corruption	Reputational damage to the NRCS/ Financial loss	4	5	20	4	3	12
Inadequate compliance with legislation (NRCS Act, PFMA, POPIA, NRCS Act and other related legislation)	Reputational adamage and Financial Loss	5	4	20	5	3	15
Inadequate Human Capital Management	Non-achievement of NRCS objectives	5	4		4	3	12

18.OVERVIEW OF 2024/25 BUDGET AND MTEF ESTIMATES

Statement of Financial Performance

Statement of financial performance R thousand	Audited outcome	Audited outcome	Audited outcome	Approved budget	Medium-term estimate		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Revenue							
Tax revenue	-	-	-	-	-	-	-
Non-tax revenue	300,974	335,024	301,136	432,931 ▲	365,714 ▲	384,730 ▲	404,260
Sale of goods and services other than capital assets	285,621	323,301	279,537	411,449	348,391	366,507	385,199
<i>Other non-tax revenue</i>	15,353	11,723	21,599	21,482	17,323	18,223	19,061
Transfers received	126,126	144,099	147,560	138,611	144,634	149,235	154,319
Total revenue	427,100	479,123	448,696	571,542	510,348	533,965	558,579
Expenses							
Compensation of employees	357,263	373,075	413,831	439,390	428,093	448,213	468,831
Goods and services	78,180	94,077	108,731	125,474	75,502	78,681	82,352
Depreciation	9,588	6,408	5,700	6,353	6,460	6,764	7,075
interest, dividends and rent on land	259	1,193	288	293	293	307	321
Transfers and subsidies	-	-	-	-	-	-	-
Total expenses	445,290	474,753	528,550	571,510 ▲	510,348 ▲	533,965 ▲	558,579
Surplus/(Deficit)	(18,190)	4,370	(79,854)	32	-	-	-

Statement of financial position

Financial position	Audited outcome	Audited outcome	Audited outcome	Approved budget	Medium-term estimate		
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Carrying value of assets	38,328	34,984	30,757	32,257	30,380	29,700	30,100
Investments	323	568	568	568	580	600	640
Receivables and prepayments	116,292	132,519	112,728	88,739	76,439	74,967	71,083
Cash and cash equivalents	237,952	199,781	94,385	56,320	42,500	38,363	35,732
Total assets	392,895	367,852	238,438	177,884	149,899	143,631	137,555
Accumulated surplus/(deficit)	291,893	264,636	130,295	72,116	44,304	39,471	32,505
Deferred income	-	-	-	-	-	-	-
Trade and other payables	49,956	58,470	54,305	56,470	52,480	48,460	47,630
Taxation	-	-	-	-	-	-	-
Provisions	51,046	44,746	53,838	49,298	53,115	55,700	57,420
Total equity and liabilities	392,895	367,852	238,438	177,884	149,899	143,631	137,555

Cash-flow Statement

Cash flow R thousand	Audited outcome 2020/21	Audited outcome 2021/22	Audited outcome 2022/23	Approved budget 2023/24	Medium-term estimate		
					2024/25	2025/26	2026/27
Cash flow from operating activities	(14,418)	(847)	(48,813)	(27,041)	(24,420)	(20,063)	(2,703)
Receipts							
Non-tax receipts	271,440	303,829	301,237	353,000	372,100	396,100	431,100
Sales of goods and services other than capital assets	260,618	294,416	290,085	345,000	365,000	390,000	425,000
Other non-tax receipts	10,822	9,413	11,152	8,000	7,100	6,100	6,100
Transfers received	126,126	144,099	147,560	138,611	144,634	149,235	154,319
Financial transactions in assets and liabilities	–	–	–	–	–	–	–
Total receipts	397,566	447,928	448,797	491,611	516,734	545,335	585,419
Payment							
Compensation of employees	357,083	377,922	398,781	419,000	435,000	454,488	477,212
Goods and services	54,901	70,853	98,829	99,652	106,154	110,910	110,910
Interest and rent on land	–	–	–	–	–	–	–
Total payment	411,984	448,775	497,610	518,652	541,154	565,398	588,122
Cash flow from investing activities	(44,713)	(37,325)	(2,095)	(11,077)	(12,050)	(12,590)	(12,040)
Acquisition of property, plant, equipment and intangible assets	(7,058)	(44)	(302)	(5,852)	(7,050)	(7,366)	(7,540)
Investment property	–	–	–	–	–	–	–
Acquisition of software and other intangible assets	(7,320)	(5,835)	(1,793)	(5,225)	(5,000)	(5,224)	(4,500)
Other flows from investing activities	(30,335)	(31,446)	–	–	–	–	–
Cash flow from financing activities	–	–	(54,488)	–	–	–	–
Repayment of finance leases	–	–	(54,488)	–	–	–	–
Net increase / (decrease) in cash and cash equivalents	(59,131)	(38,172)	(105,396)	(38,118)	(36,470)	(32,652)	(14,743)

Capex budget

Category	Total	2024/2025	2025/2026	2026/2027
	R'000	R'000	R'000	R'000
Office equipment & Furniture	20,299	6,460	6,764	7,075
	20,299	6,460	6,764	7,075

Capital Expenditure Projects and Infrastructure Plans:

- Due to limited funding, new capital projects are deferred. The capital budget will fund office equipment and furniture.

Dividend Policy

NRCS does not declare dividends.

19.ANNEXURE D: MATERIALITY FRAMEWORK

a. Significance level

Definition

Section 54(2) of the Public Finance Management Act, 1999, as amended states that – “Before a public entity concludes any of the following transactions, the Accounting Authority of the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its Executive Authority for the approval of the transaction:

- Establishment or participation in the establishment of a company;
- Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;
- Acquisition or disposal of a significant asset;
- Commencement or cessation of a significant business activity
- Significant change in the change or extent of its own interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.”

A transaction is significant if conducting the transaction is vitally important to fulfill the organization’s mandate and for the organisation to operate effectively.

Significance is larger than materiality as significant transactions may impact the organisation as a whole. The transaction may be material but not significant whereas all significant transactions are material.

b. NRCS assessed level

The organisation will submit relevant particulars of the transactions to the CEO for approval of those transactions to be disclosed to treasury. In addition to the transactions listed above, the following transactions will be regarded as significant and will require full disclosure:

- Acquisition of assets exceeding the budgeted amount
- Reporting of the materiality framework

The materiality and significance framework will be updated annually as part of the strategic planning process and be included in the strategic plan.

c. Framework of acceptable levels of materiality and significance

Treasury Regulations

For purpose of “material [section 50(1), 55(2) and 66(1) (c) of the Act] and significant” [section 54(2) of the Act], the accounting authority must develop and agree on a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with external auditors”

Material		NRCS Level for 2023/24
Section 50	<p>The accounting authority of a public entity must-</p> <p>(c) On request, disclose to the executive authority responsible for the public entity or the legislature to which the public entity is accountable, all material facts, including those reasonably discoverable, which in any way influence the decision or actions of the executive authority or that legislature.</p>	<p>Material amount: 0.85% of total revenue</p> <p>Quantitative – Any fact discovered which amount exceeds the above materiality figure. Any item or event for which specific disclosure is required by law. Any fact discovered of which its omission or misstatement in the entity’s opinion, could influence the decisions or actions of the executive authority or legislature.</p>
Section 55	<p>The annual report and financial statements must:</p> <p>Fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned.</p> <p>Include particulars of any material losses through criminal conduct and any irregular expenditure that occurred during the financial year.</p>	<p>Quantitative - Any losses through criminal conduct. Any losses through irregular / fruitless / wasteful expenditure</p> <p>Qualitative - Any item or event which specific disclosure is required by law. Any fact discovered of which its omission or misstatement in the entity’s opinion, could influence the decisions or actions of the executive authority or legislature.</p>
Section 66 (1)	<p>Any institute to which this Act apply may not borrow money or issue a guarantee in indemnity or security, or enter into any other transaction that bind or may bind that institution or the Revenue Fund to any future financial commitment, unless such borrowing, guarantee, indemnity, security or other transactions:</p> <p>Is authorised by this Act; and</p>	<p>All non-compliance events / transactions will be disclosed.</p>

	Material	NRCS Level for 2023/24
	In the case of public entities, is also authorised by other legislation not in conflict with this Act	
Section 54(2)	<p>Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction-</p> <p>Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement</p> <p>Acquisition or disposal of a significant shareholding in a company</p> <p>Acquisition or disposal of significant asset</p> <p>Commencement or cessation of significant business activity</p>	<p>Not applicable</p> <p>Not applicable</p> <p>Any asset that would materially increase or decrease the operational function of the entity, outside the approved strategic plan and budgeted</p> <p>Not applicable</p>

PART D: TECHNICAL INDICATOR DESCRIPTIONS

20. TECHNICAL INDICATOR DESCRIPTIONS

Strategic Goal 1: To develop, maintain and administer compulsory specifications and technical regulations

1. Indicator title	Number of VC's/Tech Regulations (new and amended) submitted to the dtic , submitted for 1 st or 2 nd gazetting
2. Definition	Number of New and Amended Compulsory Specifications/ Technical Regulations submitted to the dtic for first gazetting. The process is as per the CSP 350 procedure. The VC development, amendment and withdrawal process is the same and thus the CSP process is followed requiring same effort from the NRCS. A VC submitted for 1 st or 2 nd gazette refers to a new or amended submitted during the financial year or re-submitted during the financial year
3. Source/collection of data	NRCS Senior Management meeting minutes for proof of approval and confirmation of receipt by the dtic .
4. Method of calculation	Simple count addition of the different compulsory specifications or technical regulations
5. Means of verification	The dtic submission documentation
6. Assumptions	None
7. Disaggregation of Beneficiaries	N/A. Meant for all South Africans
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly cumulative reporting

11.Desired performance	4 New or Amended Compulsory Specifications each year but affected by need for concurrence and data limitations of impact assessments
12.Indicator responsibility	RRD General Manager

Percentage of Impact Assessment of compulsory specifications finalised within 12 months from the date project is approved

1. Indicator title	Percentage of Impact Assessment of compulsory specifications finalised within 12 months from the date project is approved
2. Definition	Percentage of all Impact Assessments on Compulsory Specification finalised within 12 months from the date project is approved. This target is applicable to New or Amended VC's/Tech Regulations where an impact assessment is conducted. The date of approval for the project is defined as the date the risk assessment results are presented and approved by the designated committee or official and go-ahead for the impact assessment is granted.
3. Source/collection of data	NRCS Senior Management meeting minutes for proof of approval and confirmation of receipt by the dtic.
4. Method of calculation	Simple count addition of the different compulsory specifications or technical regulations
5. Means of verification	The project approval committee minutes.
6. Assumptions	None
7. Disaggregation of Beneficiaries	N/A. Meant for all South Africans

8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly cumulative reporting
11. Desired performance	100%
12. Indicator responsibility	RRD General Manager

Goal 2: To maximise compliance with all specifications and technical regulations

Inspections conducted within Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and legal Metrology business units.

1. Indicator title	Number of Inspections conducted within Automotive, Chemicals Materials and Mechanicals (CMM), Electro-technical and legal Metrology business units.
2. Short definition	The number of inspections carried out to determine, whether any or all of the requirements of a compulsory specification are met, by sampling regulated products on the market and examining them against the relevant compulsory specification. An inspection may be conducted physically or remotely, evidence of which shall be kept on file.
3. Source/collection of data	Manual Inspection Records or CRM Inspection Electronic records
4. Method of calculation	Counting and adding the number of inspections per inspector in a given cycle
5. Means of verification	Inspection records and electronic inspection registers

6. Assumptions	Determines compliance to requirements of compulsory specifications.
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Lead	Automotive, CMM, Electro-technical and Legal Metrology
11. Reporting cycle	Cumulative Quarterly Reporting
12. Desired performance	20875
13. Indicator responsibility	Divisional General Managers

Locally Produced Fisheries

1. Indicator title	Percentage of Inspections conducted on locally produced, imported and exported canned fishery and meat product consignments in accordance with the compulsory specification and procedures
2. Short definition	% Number of inspections conducted on consignments or productions of canned fish, canned meat in accordance with the compulsory specification, divisional procedures and applicable legislation. A production consists of packages/containers of various quantities of a specific product with a specific production code.
3. Source/collection of data	The source of this data is inspection reports or CRM electronically captured inspection report
4. Method of calculation	Percentage of Number of productions or consignments inspected as a percentage of number of productions or consignments declared by the importer or producer
5. Means of Verification	Inspection records and electronic inspection records
6. Assumptions	Increase compliance to compulsory specifications and technical regulations. Minimize the risk to the consumer and proactively detect the non-complying products.
7. Disaggregation of Beneficiaries	N/A.
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly and annual basis reports are generated
11. Desired performance	100%. To inspect all productions of canned fish and meat produced in South Africa.
12. Indicator responsibility	The General Manager of the Division.

Strategic Goal 2: To maximise compliance with all specifications and technical regulations

1. Indicator title	Number of inspections conducted on locally produced fishery products (live, chilled and frozen), meat products (processed and canned meat), fishery and meat processing factories and vessels as well as fishery and meat retail inspections, in accordance with the compulsory specification and procedures
2. Short definition	Number of inspections conducted on locally produced fishery and meat products, fishery and canned meat processing factories and vessels in accordance with the compulsory specification and procedures.
3. Source/collection of data	The information is based on the actual number of registered facilities at a given time and the source document is the Manual Inspection form or the Electronic CRM inspection report
4. Method of calculation	Number of inspections conducted. Quantitative
5. Means of Verification	Inspection records and electronic inspection records
6. Assumptions	Increase compliance to compulsory specifications and technical regulations. Minimize the risk to the consumer and proactively detect the non-complying facilities.
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative reporting
10. Reporting cycle	Quarterly and annual basis reports are generated
11. Desired performance	2 562. All inspections conducted as per forecasted number of facility inspections.
12. Indicator responsibility	The General Manager of the Division.

Percentage of Approvals Issued within 120 calendar days

1. Indicator title	Approval applications processed within 90 calendar days
2. Short definition	Number of calendar days to process approvals from the date the full application is received by the NRCS to the date approved or rejected. That is from the date the full application plus the non-refundable fee has been received to the date the approval is granted.
3. Source/collection of data	<ul style="list-style-type: none"> • CRM system • LOA databases • Approvals Databases
4. Method of calculation	Manual Quantitative Counting
5. Means of Verification	LOA Application files and electronic registers
6. Assumptions	None
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly
11. Desired performance	95%
12. Indicator responsibility	The General Managers

Percentage of approvals for Gaming Equipment processed

1. Indicator title	Percentage of gaming approval applications processed within the set timeframes
2. Short definition	Number of calendar days to process gaming equipment approvals from the date the full application is received by the NRCS to the date approved or rejected. That is from the date the full application plus the non-refundable fee has been received to the date the approval is granted.
3. Source/collection of data	<ul style="list-style-type: none"> • CRM system • LOC Approvals Database
4. Method of calculation	Manual Quantitative Counting
5. Means of verification	LOC Application files and electronic registers
6. Assumptions	None
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly
11. Desired performance	99%
12. Indicator responsibility	General Manager Metrology

Strategic Goal 3: To inform and educate our stakeholders about the NRCS

1. Indicator title	Number of stakeholder consumer education events or campaigns
2. Short definition	Consumer educational events or campaigns are designed to disseminate information to the general public that utilises the Regulated commodities. This is an initiative to create a platform for the South African citizens to notify NRCS of non-compliant products that may be on the market.
3. Source/collection of data	Attendance registers and proof of attendance by stakeholders
4. Method of calculation	Manual count number of stakeholder consumer awareness campaigns. Quantitative
5. Means of verification	Proof of event or registers
6. Assumptions	The Indicator is used to measure the rate at which NRCS is disseminating information to the general public
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation type	Cumulative
10. Reporting cycle	Quarterly Cumulative
11. Desired performance	21 Awareness Campaigns
22 Indicator responsibility	Head Communications and Marketing.

Strategic Goal 3: To inform and educate our stakeholders about the NRCS

1. Indicator title	Approved Stakeholder Engagement Strategy and % Implementation of the Stakeholder Engagement Strategy
2. Short definition	The number of stakeholder engagements held by the NRCS in relation to the development and implementation of compulsory specification or regulations administered by the NRCS
3. Source/collection of data	Meeting minutes and or attendance registers of the engagements
4. Method of calculation	Simple count and percentage against the target
5. Means of Verification	Proof of event or engagement or attendance registers
6. Assumptions	The Indicator is used to measure stakeholder participation by stakeholders and broadening participation by stakeholders. Assumptions is that each engagement is by representative sample of the industry, stakeholders or regulated industry company representatives
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	Included are small and medium enterprises
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly cumulative
11. Desired performance	97% implementation of stakeholder engagement strategy
12. Indicator responsibility	Head of Business Units

Strategic Goal 4; To ensure an optimally capacitated institution

1. Indicator title	Percentage (%) of vacancies. Vacancy rate of approved and funded posts
2. Short definition	The percentage number of vacant funded positions on the structure as a percentage of total number of the approved positions on the NRCS organizational structure
3. Source/collection of data	Approved organizational structure, NRCS signoff budget and the employee database
4. Method of calculation	Percentage
5. Means of Verification	Employee statistics and Approved Organogram analysis
6. Assumptions	The Indicator is used to measure efficiency in NRCS recruitment and ensure NRCS is a capacitated organization
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly cumulative
11. Desired performance	10% vacancy rate or less
12. Indicator responsibility	Head Human Resources

Strategic Goal 4; To ensure an optimally capacitated institution

1. Indicator title	% Implementation of the NRCS Operations System implementation of the Enterprise Resource System
2. Short definition	NRCS to ensure that the NRCS has the requisite ICT infrastructure which supports business operations.
3. Source/collection of data	Operations system and Availability of the approved documents
4. Method of calculation	Verify the availability and/or existence of the new Operations System implemented and at testing phase
5. Means of Verification	Operations System availability
6. Assumptions	The Indicator is used to measure whether the NRCS has adequate IT infrastructure and resources that will ensure that it becomes efficient and move away from paper-based processes to automation
7. Disaggregation of Beneficiaries	N/A
8. Spatial Transformation	N/A
9. Calculation Type	Cumulative
10. Reporting cycle	Quarterly cumulative average
11. Desired performance	50% implementation of the NRCS Operations System
12. Indicator responsibility	Head: ICT